

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

England & Wales · Charity number 252878

## Details

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**Other names** DIOCESE OF ARUNDEL AND BRIGHTON

**Status** Registered

**Legal form** Trust

**Registered** 1967-07-11

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** The Catholic Diocese of Arundel & Brighton  
The St Philip Howard Centre  
4 Southgate Drive  
Crawley  
West Sussex  
RH10 6RP

**Phone** 01293 651145

**Email** [coo@abdiocese.org.uk](mailto:coo@abdiocese.org.uk)

**Website** <https://www.abdiocese.org.uk/>

## Activities

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**Objects:** THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION. SEE CLAUSE 2 OF TRUST DEED.

**Activities:** The advancement of the Roman Catholic religion and education within the Diocese of Arundel & Brighton and beyond. The Diocese covers the city of Brighton & Hove, the counties of East and West Sussex, and Surrey outside the London boroughs.

## Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

## Geography

- **Area of benefit:** ROMAN CATHOLIC DIOCESE OF ARUNDEL AND BRIGHTON
- Albania
- Brighton And Hove
- East Sussex
- Surrey
- West Sussex

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£19,707,000	£19,399,000	£99,188,000	292
2023-12-31	£17,122,000	£18,139,000	£97,151,000	289
2022-12-31	£20,332,000	£18,053,000	£95,598,000	275
2021-12-31	£17,326,000	£14,938,000	£100,687,000	279
2020-12-31	£13,870,000	£14,272,000	£97,183,000	327

## Trustees

Name	Role	Appointed
Arundel and Brighton Roman Catholic Diocesan Corporation Limited (The)		2025-01-03

## Linked charities

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- THE 5TH EARL OF ASHBURNHAM'S CHARITY FOR CHURCH, PRESBYTERY, SCHOOL AND TEACHER'S HOUSE AT BATTLE (252878-1)
- CHARITY OF ANTHONY JOHN WRIGHT BIDDULPH (252878-10)
- NORFOLK TRUST (252878-11)
- CHARITY FOR ROMAN CATHOLIC SCHOOLS AND BURIAL GROUND (252878-12)
- CHARITY FOR ROMAN CATHOLIC DIOCESAN SCHOOLS AND BURIAL GROUND (252878-13)
- ANTHONY JOHN WRIGHT BIDDULPH FOR A ROMAN CATHOLIC SCHOOL (252878-14)
- NORFOLK TRUST (252878-15)
- ESTATE OF PATRICIA ANNE BUCKLEY (252878-2)
- SLINDON TRUST (252878-3)
- NORFOLK TRUST (252878-4)
- TRUST PROPERTY HELD FOR ROMAN CATHOLIC PURPOSES (252878-5)
- THE DIOCESE OF ARUNDEL AND BRIGHTON EDUCATION TRUST (252878-6)
- CHARITY OF SIR HENRY PASTON BEDINGFELD FOR THE PRIEST IN CHARGE OF BURTON PARK ROMAN CATHOLIC MISSION KNOWN AS THE DUNCTON PRIESTS' FUND (252878-7)
- CHARITY OF JAMES FITZALAN HOPE FOR A ROMAN CATHOLIC CHURCH, PRIESTS HOUSE SCHOOL AND GRAVEYARD AT HERONS GHYLL (252878-8)
- CHARITY OF FRANCES SCAWEN BLUNT FOR A ROMAN CATHOLIC CHURCH AND PRESBYTERY AND TRUST PROPERTY ADMINISTERED IN CONNECTION THEREWITH (252878-9)

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

England & Wales - Charity number 252878

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# Accounts

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# ANNUAL REPORT & ACCOUNTS

Incorporating Thirty Connected Trusts under  
Charity Commission Uniting Directions



For the year ended 2024



THE CATHOLIC DIOCESE OF  
ARUNDEL & BRIGHTON

[www.abdiocese.org.uk](http://www.abdiocese.org.uk)

**Arundel & Brighton Diocesan Trust**  
Registered Charity No. 252878

The St Philip Howard Centre,  
4 Southgate Drive, Crawley  
West Sussex RH10 6RP





# ARUNDEL & BRIGHTON DIOCESAN TRUST

Registered Charity No. 252878

## ANNUAL REPORT & ACCOUNTS

Incorporating Thirty Connected Trusts under  
Charity Commission Uniting Directions

**For the year ended 31 December 2024**

The St Philip Howard Centre, 4 Southgate Drive, Crawley  
West Sussex RH10 6RP



# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEE

FOR THE YEAR ENDED 31 DECEMBER 2024

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### **CONNECTED TRUSTS UNDER CHARITY COMMISSION UNITING DIRECTIONS**

#### **Trusts Linked to Diocesan Trust on Charity Commission website**

Battle Ashburnham	252878 - 1
Diocese Buckley	252878 - 2
Slindon Leslie	252878 - 3
Littlehampton Norfolk	252878 - 4
Littlehampton Norfolk 1901	252878 - 5
Diocese Education	252878 - 6
Duncton Bedingfeld	252878 - 7
Herons Ghyll Hope	252878 - 8
Crawley Scawen Blunt	252878 - 9
Duncton Biddulph	252878 - 10
Arundel Norfolk	252878 - 11
Houghton Norfolk Cemetery	252878 - 12
Arundel Norfolk Cemetery	252878 - 13
Duncton Biddulph Education	252878 - 14
Angmering Norfolk	252878 - 15

#### **Other Trusts**

Burwash Cemetery  
Caterham Stacpole  
Dorking Norfolk  
Effingham Pauling  
Godalming Hyland  
Hastings Fairlight Shadwell Cemetery  
Horsham Norfolk  
Keymer Munster  
Oxted Lang  
St Leonards Grant  
Sutton Park Salvin  
West Byfleet Marist School  
Worthing Gaisford

#### **The following Trusts consolidated their accounts with the Diocese's by resolution of their Trustees:**

Diocese Elmer  
Haywards Heath St Joseph's School

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEE

FOR THE YEAR ENDED 31 DECEMBER 2024

### LEGAL AND ADMINISTRATIVE DETAILS

#### TRUSTEES

Pursuant to the appointment of The Arundel And Brighton Roman Catholic Diocesan Corporation as sole Corporate Trustee with effect from 3 January 2025, the following changes to Trustee appointments took place:

The Arundel And Brighton Roman Catholic Diocesan Corporation Limited Company number 00946255 (Appointed 3 January 2025)

Right Reverend Richard Moth, Bishop of Arundel and Brighton (Resigned 3 January 2025)

P Bergin (Resigned 3 January 2025)

Sr J Bertelsen (Resigned 3 January 2025)

P Burgess OBE, DL, KSG, KGCHS (Resigned 3 January 2025)

Reverend Father J How (Resigned 3 January 2025)

J Lydon (Resigned 3 January 2025)

K Maloney (Resigned 3 January 2025)

Reverend Canon J S Martin VG (Resigned 3 January 2025)

Reverend Canon K J O'Brien (Resigned 3 January 2025)

C Wordsworth (Resigned 3 January 2025)

G Melly (Resigned 3 January 2025)

#### Secretary to the Board

S M Kilmartin

#### DIOCESAN OFFICE

The St. Philip Howard Centre

4 Southgate Drive

Crawley

West Sussex

RH10 6RP

#### FINANCE COMMITTEE

Reverend Father J How – Chair

Mr P Bergin ACA

Mr David Innes (appointed 27 April 2024)

Mrs Alison Morgan (appointed 27 April 2024)

Mr Greg Melly (appointed 1 February 2025)

#### KEY MANAGEMENT PERSONNEL

Chief Operating Officer Mrs S M Kilmartin

Director, Education Service Mrs J Oldroyd

Clergy Welfare Officer Ms Annie Condon

Safeguarding Coordinator Mrs Angela McGrory

Head of Communications Ms Laura Maydew Gale

#### ADVISERS

##### AUDITOR

Moore Kingston Smith LLP

6<sup>th</sup> Floor 9 Appold Street

London, EC2A 2AP

##### SOLICITORS

DMH Stallard

Gainsborough House

Pegler Way

Crawley

West Sussex, RH11 7FZ

##### INVESTMENT MANAGERS

Evelyn Partners Investment Management LLP

45 Gresham Street, London, EC2V 7BG

##### BANKERS

HSBC Bank plc

69 Pall Mall London, SW1Y 5EY

##### INSURANCE MANAGERS

Catholic Insurance Service Ltd

Suite 5, Oxford House

Oxford Road

Thame, OX9 2AH

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEE

FOR THE YEAR ENDED 31 DECEMBER 2024

The Arundel and Brighton Diocesan Trust is a charity established by a Trust deed dated 19th May 1967 as amended 14th November 1967 and 4th December 1998. The charity is registered with the Charity Commission of England and Wales (No. 252878).

The Corporate Trustee presents the report and financial statements for the year ended 31 December 2024.

### **OBJECTIVES AND ACTIVITIES**

The Diocese is a portion of the People of God, defined by its territories – in this case, the city of Brighton & Hove, the counties of East and West Sussex and Surrey outside the London Boroughs. The Diocese serves its people through its parishes and schools, the Diocesan central agencies and in chaplaincy to hospitals, prisons and universities. The aim of the Diocese is, in accordance with the objectives of the charity, the advancement of the Roman Catholic religion and education.

The Diocese gathers principally through the worship of God and through prayer. This is the foundation of its work and, built on this foundation, the Diocese brings its people together for formation in the Roman Catholic religion. This work of formation is carried out in a number of ways: in Parishes; at diocesan level through conferences and courses and Cathedral liturgies; through the provision of retreats; through the work of its schools. This formation enables the people of the Diocese to exercise the mission of the church. This is carried out in myriad ways through social outreach, especially to the poor and disadvantaged – often at Parish and local level; through provision of courses for those who may wish to explore faith; through support of the work of the Church in other parts of the world.

In order to achieve these aims, a number of strategies are put in place by the Corporate Trustee. These include support for the parishes and Catholic schools serving some 30,000 pupils. A large diocesan pilgrimage to Lourdes is undertaken each year. Chaplaincy services are provided for universities, hospitals, hospices and prisons.

The achievement of these aims fulfils the legal purposes of the charity and impacts on society at a number of levels. The young are enabled to take a responsible place in society, enriching it through their way of life; care is provided to those who are in hospital, elderly or housebound; to those in prison and to those who live with disability. Family life is fostered and supported. Support is given to the bereaved through a network of trained volunteer befrienders. The outreach of the Diocese enables many others to avail themselves of the social support offered by the Church. The effect of the Diocese's work beyond its boundaries has a deep impact on those living in the poorer parts of the world. A particular impact in recent years has been achieved in the support of refugees and through projects to encourage people in the care of the natural world and its resources.

The Bishop has oversight of the whole Diocese, achieved through visitations of Parishes, schools and the various operations of the Diocese referred to above. He is aided in this through the work of a number of consultative bodies and by Deans who have pastoral oversight of groupings of Parishes.

The schools of the Diocese are subject to both OFSTED and Catholic School Inspections and are very well supported by the Diocesan Education Service.

### **Service by Volunteers**

Much of the activity of the Diocesan Trust is carried out by volunteers. Typically, between 10% and 20% of any parish community will be actively engaged in such activity, either in parish initiatives or through the service offered by other Catholic organisations that are present across the Diocese and beyond. This service performed by the lay faithful is an intrinsic part of the life of the Church and is greatly valued by the Bishop and Directors of the Corporate Trustee, as it is by parish clergy and diocesan central staff.

### **Grant making policy**

The Diocesan Trust is not primarily a grant making charity. Most grants are of modest size. Occasional larger grants are made, most often to Catholic schools to assist with capital projects.

### **Public benefit**

The Charity complies with the duty in the Charities Act 2011 section 17 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity. The public benefit provided by the Charity includes the provision of religious ceremonies (such as baptisms, weddings and funerals), maintaining religious burial grounds, celebrating public Masses, and providing and maintaining places of worship. There is also a benefit to the general public as churches can be accessed by people of all faiths and none, for personal spiritual contemplation. Catholic schools and parishes are communities which contribute to the moral and spiritual wellbeing of those who participate. From these centres educational, social and pastoral work is carried out as a practical expression of faith. All of these contribute to the wellbeing of civic society in our country.

## **ACHIEVEMENTS AND PERFORMANCE**

The life and mission of the Catholic Church continues to flourish across Sussex and Surrey, with the Diocese's 116 churches and 76 primary and secondary schools places where daily prayer is a natural part of life, and the riches of the faith are shared.

Bishop Richard Moth published his third Pastoral Plan "The Word Who is Life: The Call to Mission" in January 2024, with work to deliver the Plan led by Bishop Richard and the Episcopal Vicar for Pastoral Planning, Canon Kieron O'Brien, supported by members of clergy, religious, and lay leaders, with input from the Pastoral Plan Reference Group which holds monthly meetings at the diocesan central office, The St Philip Howard Centre in Crawley.

Over the coming months, the Diocese's 11 deaneries will evolve into 11 canonically joined, mission-focussed new parishes in the care of a Moderator and priests working in solidum, with the fruits of the Pastoral Plan freeing members of clergy "to carry out [the] prime responsibilities of their vocation" and lay Catholics "making the church of today, everyone's church of the future" through the sharing of their many gifts and talents.

Sunday Mass attendance has increased to more than 24,700 this year, with the celebration of Mass, supported by a number of language chaplaincies, available in Italian, Polish and Portuguese, and the Syro-Malabar and Ukrainian Rites. The local parish church with its richly diverse community of worshippers remains central to the life of faith for most Catholics in the Diocese, with Arundel Cathedral, our diocesan mother church, a significant and beautiful place of prayer and pilgrimage, particularly during the Feast of Corpus Christi and the Chrism Mass, when many hundreds of people visit.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEE

FOR THE YEAR ENDED 31 DECEMBER 2024

The sacraments are the foundation stones of our Catholic faith with opportunities to explore prayer and receive formation available to people of all ages. There have been 1,763 baptisms, 147 Receptions into the Church, and 761 confirmations in Sussex and Surrey over the last twelve months, with catechesis and formation available at parish level supported by diocesan staff at the St Philip Howard Centre, who provide a range of opportunities for members of the faithful to grow in closer conformity with Christ. More than 1,000 people participated in Formation Team courses and events led by our Marriage & Family Life, Liturgy & Music, Formation & Spirituality, Social Action, and Youth Ministry advisers this year, with at least 300 volunteers undertaking training provided by our Finance and Safeguarding Teams.

Diocesan churches and schools continue to bear strong witness to the gospel at a time of global conflict, increasing poverty, homelessness, isolation and poor mental health, accompanying and supporting people in their care, and those far beyond their local communities. The diocesan Ministry of Consolation, which provides companionship and community to those who are grieving and lonely, welcomed 17 new Bereavement Supporters in 2024, bringing the number of trained volunteers offering “the gentle hand of Christ” to people with a terminally illness or those grieving the loss of a loved one, to 128.

This commitment to the gospel message and the values of the Catholic Church can be seen across diocesan schools, with 132 students achieving one of four levels for CYMFed’s Faith in Action Award, which aims to help young people to connect their life and faith through service to others in their community, and a significant number working towards the Oscar Romero Award, which recognises a school’s commitment to Catholic Social Teaching. The role of our schools in the journey of life-long catechesis remains highly significant for both pupils and their families, with members of the Diocesan Education Service providing CPD and training to 3,375 participants in 2024, and a number of teachers and students joining the Lourdes Pilgrimage in July.

The diocesan Pilgrimage to Lourdes is one of the most significant pastoral events in our calendar, with 849 people journeying to France in 2024 as part of our diocesan group. The pilgrimage celebrated two important milestones this year, marking its 50th anniversary and the 20th anniversary of the Redshirts youth programme, both of which have helped people of all ages and backgrounds discover their vocation, renew their faith, and fully encounter the pilgrimage vision of ‘Love in Action’.

Writing in “The Word Who is Life: The Call to Mission” Bishop Richard says: “we stand as Christ’s faithful in this Diocese. The opportunities that this space affords prompt us to answer the Lord’s call to prayer, to grow in our conformity to Him through our formation, that we may do His work.” Diocesan Catholics are answering this call in a number of ways; in prayer and service to others, by giving witness to the gospel, and as advocates for the values of the Church in the public square engaging with local MPs across a range of issues, and volunteering for and supporting a large number Catholic charities including: CAFOD, The St Vincent de Paul Society (SVP), the Prison Advice and Care Trust (Pact), Caritas Social Action Network (CSAN) and the agencies of the Catholics Bishops’ Conference of England and Wales (CBCEW) including Missio, the Pope’s charity for overseas mission, which received a cheque for £5,766 at this year’s Good Shepherd celebration for schools, at Worth Abbey.

Donations to the Refugee Crisis Fund, which was established by Bishop Richard in 2015, have helped asylum seekers and refugees of all ages and backgrounds this year, with the Migrant Fund Committee awarding

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEE

FOR THE YEAR ENDED 31 DECEMBER 2024

small grants amounting to £10,247 to schools and charities of all denominations and none “that our following of Christ, our proclamation of the Word Who is Life, brings with it the joy of the Kingdom of God.”

Inspired by the gospel and informed by Catholic Social Teaching, this ethos is reflected centrally, with donations from diocesan charity funds of £32,000 to hospices, homeless charities and partner organisations working for the common good within the Diocese, and additional grants awarded to the Ukrainian Eparchy in the UK, The Living & Dying Well Project in its challenge to assisted dying legislation, and, in support of the church overseas, an annual grant to Chulucanas, our sister Diocese in Peru and further grants in support of the Church in Jerusalem.

### **FINANCIAL REVIEW**

Before taking into account the investment gains, there was a surplus of £0.3 million. Income increased in the year to £19.7 million (2023 £17.1 million). The increase in revenue of £2.6 million compared to 2023 was a result of an increase in legacies received of £0.9m, additional gains on asset sales of £0.9m and an increase in Education income of £0.5m over the previous year. Expenditure increased in the year to £19.4 million (2023 £18.1 million). The net surplus for the year was £2.0 million (2023 £1.6 million). There was an increase in cash outflow to £4.5 million (2023 £2.4 million) due to an additional loan to a school of £0.8 million and funding of RAAC school repairs £0.8 million. These items are both expected to be recovered in 2025. Overall Diocesan funds increased to £99.2 million (2023 £97.1 million).

The income and expenditure of the Diocesan Trust is set out in three principal components: Parishes, Central Diocese and Schools. The basis of charitable expenditure is made by reference to the objectives of the charity: the advancement of the Roman Catholic religion and education. The thirty connected Trusts are incorporated into the results for the area of the Diocese to which they relate. Twenty-eight of the connected Trusts provide the land and church buildings for Parishes who maintain the properties and two are linked to activities of the Central Diocese (care for retired priests).

The financial statements comply with the Charities Act 2011, Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (including update bulletin 27 (Charities SORP FRS102)), and the financial Reporting Standard applicable in the UK and Republic of Ireland (FR102), the Charities Act 2011 and UK generally Accepted Practice, and are in accordance with the accounting policies of the Diocese.

The majority of funds in the charity are raised and expended within each individual Parish or centre of activity in support of its work. In addition to financing their own activities, Parishes also support the Diocese through the transfer of funds to cover both general and specific activities of the Diocese.

### **Parishes**

The net Surplus in funds before transfers was £2.9 million (2023 £2.9 million). Income was £14.3 million compared with last year's £13.2 million due to an increase in legacies of £0.3 million, an increase in collections and donations of £0.3 million plus additional gains from property disposals of £0.5 million. Expenditure increased to £11.9 million (2023 £11.2 million). Parishes contributed £2.6 million to the central costs of the Diocese through transfers (2023 £2.3 million).

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEE

FOR THE YEAR ENDED 31 DECEMBER 2024

Most of the costs incurred in the Parishes were attributed to the primary activity of the Diocese: advancement of the Roman Catholic faith.

Parish overall surplus at year end was £0.4 million (2023 £0.6 million). Parish funds increased to £70.7 million (2023 £70.4 million). Tangible fixed assets at cost less any depreciation were £41.4 million at year end, steady with last year's £41.4 m.

### **Central Diocese**

The Central Diocese comprises the office of the Bishop and Curia, including the Chancery and Tribunal, as well as the Formation Team, the Education Service, Safeguarding Team, Lourdes Pilgrimage office and the officers providing support with Finance, Health & Safety, Property, HR, Communications and IT. The Central office in Crawley is maintained to accommodate these staff and to provide facilities for meetings and training for a wide range of participants from schools and parishes. The net deficit for the year was £(1.3) million compared to a deficit of £(1.3) million last year. Income has increased over last year by £1.0 million as a result of increased legacies received and additional gains on property sales. Expenditure was slightly higher than last year at £5.5 million (2023 £5.2 million). Investments recovered from last year and had a gain in valuation of £1.1 million (2023 £1.6 million). The overall funds of the Central Diocese increased to £26.3 million (2023 £25.0 million) with £2.9 million in unrestricted funds excluding designated reserves. Tangible assets accounted for £13.5 million of Central Diocese funds, up from £13.3 million in the prior year.

### **Schools**

Sacred Heart Preparatory School in Wadhurst and three Parish pre-schools operated within the Diocesan Trust and their results are reflected in these accounts, with a surplus from the year of £0.4 million (2023 £0.2 million). Income increased to £2.3 million (2023 £1.9 million), with expenditure of £1.9 million (2023 £1.7 million). Pre-schools operate in the parishes of Chichester, Crawley and Haywards Heath. Total unrestricted funds for the year were positive £0.7 million (2023 £0.2 million). Tangible assets account for £1.5 million (2023 £1.5 million).

### **Risk Assessment and Risk Management**

During 2024 oversight of the major risks to which the Trust is exposed continued.

The Safeguarding team continues training and monitoring activities to address the risk of safeguarding failures in relation to children and vulnerable adults. Their work is overseen by the Safeguarding sub-committee. Health and Safety risks are overseen by a Health and Safety sub-committee. A cloud-based Health and Safety system is in use, allowing monitoring and support of parish compliance in this area.

Particular attention is focused on the key strategic risks facing the Diocese. Challenges around clergy numbers and the average age of priests are significant. The Bishop and his advisors recognise the increasing burden on priests and deans and have ensured that clergy support and wellbeing is a developing focus. The Bishop is engaging with deaneries to discuss greater collaboration across parish boundaries and the importance of the full participation of lay people as we move forward with the number of priests serving our parishes reducing. The Pastoral Plan, discussed below, addresses these key pastoral risks, and outlines developments which are intended to strengthen the life of the Church and the Charity in the coming years. The Communication and Formation teams are key in addressing risks around stakeholder engagement and the impact of secular culture. The Education and Safeguarding teams report their management of risk quarterly and risks relating to property and finances are also closely monitored.

### **Investment Policy and Performance**

The investment objective is that the real value of the Trust's assets should be maintained and enhanced over the long term to service the needs of the Trust. The overall risk is assessed to be medium, when viewed with the property and cash assets of the Trust.

The investment managers, Evelyn Partners Investment Management LLP, undertake the day to day management of funds on a discretionary basis in line with the Diocesan Statement of Investment Principles (SIP). The SIP outlines the features of the Trust's two investment portfolios, the Multi Asset Investment Fund 1 (MAIF 1) and the Multi Asset Investment Fund 2 (MAIF 2). These differ in risk profile, with the first MAIF taking a medium/high approach to risk, balancing income and capital growth. MAIF 2 takes a low/medium approach to risk, with a focus on capital preservation. Target investment returns have been set at CPI+ 3.0% per annum for MAIF 1 and CPI+ 1.5% per annum for MAIF 2.

The ethical policy expressed in the SIP stipulates that investments will not be purchased in companies where conventional armaments, high interest rate lending, pornography, gambling or the production of contraceptives make up more than 3% of turnover or where the production, distribution or retailing of tobacco makes up more than 10% of turnover. These restrictions ensure that the Diocese will not be invested in companies dedicated to these products and services but allows investment in sectors such as retail, where a low percentage of trading may relate to these items. No investments can be held in companies that manufacture controversial weapons, conduct fossil fuel extraction, perform abortion services or conduct research using foetal matter.

During the year an investment gain of £1.7 million arose (2023 £2.6 million). This performance reflected recovering market conditions.

### **Reserves Policy**

The reserves held after making allowance for any restricted funds, and the amount of designations, commitments (not provided for as a liability in the accounts) or the carrying amount of functional assets totalled £3.7 million. Although capable of utilisation across the relevant entities, these reserves were held as to £0.7 million by the Schools and £3.1 million by the Central Diocese.

The total reserves are £99.2 million, of which £13.1 million relate to the connected Trusts.

Restricted funds total £9.8 million (Diocese £1.8 million and Parish and connected Trusts £8.0 million), particulars of which are set out in Notes 18 and 19 to the accounts. Permanent Endowment funds total £11.3 million (Diocese £0.8 million Parish £0.9 million and connected Trusts £9.6 million), with particulars also set out in Notes 18 and 19 to the accounts.

Designated funds, wholly held by the Diocese, are £74.3 million and comprise the general unrestricted funds of the individual Parishes, £52.2 million and other designated funds totalling £22.1 million, of which the most substantial is the fixed asset fund of £12.7 million, followed by the retired priests' fund of £3.3 million.

In Canon Law the Parishes have the right to acquire, retain, administer and alienate temporal goods. While the unrestricted funds of the individual Parishes could therefore be regarded as restricted at the Diocesan level, this might not be consistent with the civil law status of the Diocese as a single entity. In order to respect the

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEE

FOR THE YEAR ENDED 31 DECEMBER 2024

special nature of these funds, the Corporate Trustee has designated these funds as relating to the individual Parishes from which they are derived.

The funds held by each of the 66 Parishes need to be held in order to provide working funds, to meet future expenditure (particularly on property maintenance) that will not be met by future income and, in some cases, to accumulate funds for a building programme. The properties held by Parishes comprise the Parish church or churches and, in most cases, a hall and presbytery. The maintenance costs of these properties can be substantial and frequently unpredictable. Excluding tangible fixed assets, the average amount of unrestricted funds held by Parishes is £164k (2023 £166k). The actual amounts held vary significantly above and below this average, but Parishes with funds surplus to immediate foreseeable requirements are able to provide support to Parishes in need of assistance, usually through the Diocese.

The unrestricted funds of the Trust are also utilised to provide land and buildings for both Central Diocese and the Schools. These funds are held in designated Fixed Asset funds of £12.7 million and £1.5 million respectively.

As stated in note 21, the Corporate Trustee considers that there is a constructive obligation to support priests in their retirement, but the provision required cannot be measured with sufficient reliability. The Corporate Trustee considers, however, that it is necessary to designate funds based on their best estimate of the possible future requirement. The designated fund for retired priests (£3.2 million at the year-end) is intended to provide (i) a fund to meet the cost of support of already retired priests and (ii) a fund that, with future transfers to the fund, will meet the cost of support in retirement for all currently serving priests, in both cases allowing for future inflation and interest. With further replenishment, the fund is projected to be expended over the lifespan of currently serving and retired priests.

The fund designated for Ecclesiastical Education is largely derived from donations from Parishes for the express purpose of ecclesiastical education. As these are intra-Trust donations they cannot be treated as restricted but, in order to respect the special nature of these funds, the Corporate Trustee considers has designated them accordingly. The fund was £1.0 million at year-end and is adequate, at present levels of expenditure, to cover the relevant costs for approximately five years.

The total of funds that can be realised only by disposing of tangible fixed assets is £56.4 million. These amounts are reflected in restricted, endowment and designated funds (i) as part of the overall funds of Parishes that are designated at Diocesan level and (ii) by a designated fund of the Central Diocese.

The parish pre-schools reserves are not wholly adequate to ensure their ongoing financial stability, and the three parishes that are responsible for the pre-schools underwrite their liabilities with parish reserves. The reserves at Sacred Heart School are able to support ongoing activities. Where substantial property projects require bank overdrafts approval can be given for this by the Diocesan Finance Committee, with a repayment schedule agreed.

The net costs of the Central Diocese are met in part by levies on parishes. Reserves are required to meet shortfalls in the income needed to meet current levels of expenditure. They are also needed to provide funding, by way of loans and/or grants to parishes and schools, principally for building and other development projects.

The Corporate Trustee has not determined a fixed amount of general reserves that are needed but consider that the reserves need to be maintained at least at the present level in order to meet possible shortfalls in income. An increase in reserves is necessary in order to be able to respond to requests from schools and Parishes for building and development funding, which is at present constrained by the level of reserves.

## **FUTURE PLANS**

Pope Francis inaugurated the Jubilee Year on 29 December 2024, opening of the doors of St Peter's Basilica in Rome and celebrating Mass. The Holy Year, which has the theme "Pilgrims of Hope" will see diocesan celebrations and events taking place across Sussex and Surrey in 2025, with three churches in our Diocese; St Joseph's, Guildford, Worth Abbey and Arundel Cathedral designated as special places of pilgrimage where Holy Year Indulgences can be gained. 35 million pilgrims – including diocesan lay people, religious, and members of clergy - are expected to visit Rome over the next 12 months, with a number of Jubilee celebrations planned locally, including a 3-day Pilgrimage to Walsingham in June and a Youth Pilgrimage to Rome in July.

The diocesan Ecumenical Walking Pilgrimage (EWP) marks an important anniversary this year. The first Walking Pilgrimage took place in the summer of 1975, with pilgrims setting out from Arundel Cathedral to "beat the bounds" of the Diocese while visiting "grand cathedrals, humble chapels, urban landscapes and all kinds of countryside." The itinerary for this year's 50th Anniversary pilgrimage will include each of the dioceses' 11 "community of communities", with pilgrims journeying for up to 16 days in a spirit of prayer and community across the Surrey Hills, Sussex coast, and through the South Downs National Park.

Bishop Richard's Pastoral Plan will continue to develop across our diocesan family in 2025, with newly formed clergy and lay leadership teams contributing their gifts and talents to the local Church, bonds between school and church communities continuing to strengthen, and parish employees and volunteers in both pastoral and administrative roles enabling and enriching the life and mission each new "community of communities."

The Episcopal Vicar for Pastoral Planning, Canon Kieron O'Brien has now visited each soon-to-be new parish and will continue active collaboration with Moderators elect and members of clergy this year, with the canonical, administrative, and digital transformation needed to support the delivery of the Plan through Prayer, Formation and Mission led by members of clergy, the diocesan Formation Team, lay leaders and volunteers, and staff at The St Philip Howard Centre.

Catholic schools, supported by the Diocesan Education Service, are important places of mission and a key element in the faith journey of our young people, with further schools due to join BOSCO and Xavier Education Trusts this year, and 64% of schools academised. The Education Service will begin an important new collaboration with St Mary's University, Twickenham in the Spring, with the launch of canonically and Catholic Education Service approved primary resources called "Day by Day" to support and enrich the delivery of the "Religious Education Directory" (RED), and enable students to grow in their understanding of the gift of faith.

Looking ahead, the mission of the Church - and therefore the Diocese – will demand even greater lay engagement in the vital work of evangelisation, with increasing opportunities for lay people to share their gifts and talents across their new parish communities. The Diocese will celebrate its 60th anniversary this summer, with members of the Formation Team working closely with faith-centred organisations and groups to offer people across our community of faith the opportunity to join a "Festival of Hope" at Ardingly Show Ground on 20 September.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

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The occasion will offer people across our diocesan family with an opportunity to reflect on and renew the call to mission, with the festival programme centring on the celebration of Mass, supported a programme of inspiring speakers, and music from One Hope Project and children from the Schools Singing Programme (SSP) which delivers outstanding singing tuition to children and young people attending state primary schools across the diocese. As Bishop Richard writes: “[We] look to the future and, with a renewed openness to the promptings of the Holy Spirit, continue the Mission to which we have been called in the circumstances of our time.”

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Arundel & Brighton Roman Catholic Diocesan Corporation Limited was appointed as the sole Corporate Trustee of the Diocese on 3 January 2025. Legal title to the assets of the charity is held by the Corporation, which holds them in trust for the charity, and has trust corporation status. The Corporation was incorporated on 20th January 1969 and is registered under the Companies Acts (No. 0946255) as limited by guarantee and not having share capital. The former Trustees of the Diocese, who resigned on 3 January 2025 are the Members and Directors of the Corporation.

#### **Directors of the Arundel & Brighton Roman Catholic Diocesan Corporation Limited**

The Bishop is empowered to appoint and remove all Directors. The board of Directors comprises four clergy, one religious, and six laity of the faithful. Clergy members are appointed for their expertise in parochial, spiritual and pastoral matters. Lay members are selected for specialisms in business, education and pastoral work. Further members would be chosen to match any perceived skill requirement. New members are supported to understand the constitution, governance and operation of the Charity, and are encouraged to visit the central departments as well as being familiar with the work of Parishes. All decisions affecting the Charity are made by the board of Directors. The board has established various committees to advise it on aspects of Diocesan activities.

Directors receive training in safeguarding and charity governance and receive updates relating to the Charity Commission periodically.

Directors are supported by a number of subcommittees. Membership and leadership of these committees is directed by the Bishop.

#### **Finance Committee**

The committee comprises three Directors and two others who have expertise in financial, property and management matters. The committee meets at quarterly and advises on financial governance and asset management. The committee also acts as the Charity’s audit committee.

#### **Education Committee**

The Education Committee provides a vehicle for collective planning, advice and decision-making in conjunction with the Diocesan Education Service and in relation to diocesan schools and academies.

The membership reflects a broad range of interests, including those of Headteachers in academies, maintained and independent schools, Governors and Clergy, alongside the Diocesan Bishop, a Director and Diocesan staff within and beyond the Education Service. Members advise on and monitor the setting and operation of a

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEE

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range of policies and guidelines for diocesan schools and academies. (Examples may include areas such as admissions; religious education and worship; Section 48 inspection framework; criteria for diocesan building priorities, etc).

Where appropriate, the committee will make strategic decisions on the basis of advice from diocesan officers and the outcomes of consultation. Occasionally, recommendations and/or proposed decisions taken by the Education Committee will be subject to ratification by the Corporate Trustee, for example if they relate to policies of the Bishops' Conference or are regulated in Canon Law.

The committee advises the Directors on education policy issues and meets three times a year.

### **Academies Partnership Committee**

The Academies Partnership Committee meets to support the two Catholic Education Trusts for our academies. It provides a vehicle for collective advice and recommendation in relation to the academies programme.

The Committee membership reflects an appropriate skill set and professional experience. It includes the Bishop, Headteachers in academies, maintained and/or independent schools, Foundation Governors and two Directors. It is attended and supported by diocesan staff within and beyond the Education Service.

Committee Members participate by virtue of their appointment, bringing to the role their own professional and lay experience and expertise. They are not representatives of a particular group.

When appropriate, Committee Members determine, advise on and/or monitor the setting and operation of a range of policies and guidelines relating to the diocesan academies programme. The Committee scrutinises applications from schools wishing to convert to academy status. Their recommendations to the Bishop are based on due diligence presented by the Catholic Education Trusts, the outcome of consultations undertaken, discussion with the CEO and Chair of the Trust Board and advice from diocesan officers. Recommendations and/or proposed decisions taken by the Committee will be subject to ratification by the Bishop and Directors where they relate to the conversion of a school to academy status.

Some proposed decisions may require the express consent of the Bishop, for example if they relate to the policies of the Bishops' Conference or are regulated in Canon Law.

The committee meets a minimum of three times a year, but more often if required.

### **Safeguarding Subcommittee**

This purpose of this Subcommittee is to support, assist and advise the Diocesan Directors in discharging their duties in safeguarding, in accordance with the Corporate Trustee's legal and regulatory duties, Trust Deed, Canon Law of the Catholic Church, Charity Commission guidance, and operating within the standards, policies and procedures of the Catholic Safeguarding Standards Agency. The Subcommittee will make a regular report to be shared at each meeting of the Board of Directors. In turn the Directors will feed back comments (if appropriate), and, if required, will direct the Subcommittee to consider safeguarding matters where Directors require additional information, explanations or guidance.

The Subcommittee is chaired by an independent safeguarding professional, with at least four further members, and two or more Directors as members. After consulting with the Bishop of Arundel & Brighton the Chair will

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ensure that representatives from other agencies such as Police, Probation, Local Authority, Healthcare or others are invited as members to attend meetings. The Diocesan Clergy Safeguarding Lead and Judicial Vicar are in attendance as members of the subcommittee.

#### **Council of Priests and College of Consultors**

The Council of Priests assists the Bishop, in accordance with the prescriptions of Canon Law, as a consultative body relating to the governance of the Diocese and the pastoral welfare of both clergy and lay faithful.

The College of Consultors, whose members are drawn from the Council of Priests, has responsibilities enunciated in the Code of Law and has a particular role when the Diocese is without a Bishop.

#### **Episcopal Council**

This Vicar General and the three Episcopal Vicars form this Council, as a group of close advisors to the Bishop in the governance and pastoral provision of the Diocese. It meets monthly.

#### **Pastoral Commissions**

There are several committees advising the Corporate Trustee on the wide range of pastoral activities undertaken by the Trust. These committees meet between one and four times a year.

#### **Parishes**

The day to day administration of our Parishes is carried out by Parish clergy who are advised by their Parish finance committees. Significant matters are authorised by the Corporate Trustee, for example major property or capital expenditure.

The voluntary aided (maintained) schools and Academies of the Diocese are exempt charities that co-operate with the Trust in providing education in partnership with the UK Government.

#### **Remuneration Policy**

Annual pay changes are approved by the Directors, and job roles and remuneration are reviewed periodically. Benchmarking against market rates is employed when new roles are created. Remuneration for key management roles is benchmarked against market rates when appointments are made and considered annually.

#### **Fundraising approach**

The Diocese does not engage in fundraising telephone or email campaigns. Funds are raised through collections at services and events, or through donations received via post, bank transfer or online giving. The Diocese is regulated by the Fundraising Regulator. No complaints about fundraising were received this year or during the prior year.

#### **Subsidiary Companies**

The Diocese has one wholly owned dependent company, Diocese of Arundel & Brighton (Building Services) Ltd. The company has not traded actively for a number of years and for the year ended 31 December 2024, the turnover of the company was £Nil (2023: £Nil) and there was a loss of £Nil, (2023: £Nil).

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEE

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### **STATEMENT OF THE CORPORATE TRUSTEE'S RESPONSIBILITIES**

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

The law applicable to charities in England & Wales requires the Corporate Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the net movement in funds of the charity for that period. In preparing these financial statements, the Corporate Trustee is required to:

- select suitable accounting policies and then 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the charity will continue.

The Corporate Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust deed dated 19th May 1967. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Corporate Trustee on 10 July 2025 and signed as authorised on its behalf by:



The Right Reverend Richard Moth  
Bishop of Arundel & Brighton  
Director, Arundel and Brighton Roman Catholic Diocesan Corporation Limited

# **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **Opinion**

We have audited the financial statements of Arundel and Brighton Diocesan Trust for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

## **Other information**

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

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

We have nothing to report in this regard.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

## **Responsibilities of the trustee**

As explained more fully in the trustee's responsibilities statement set out on page 14, the trustee is 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 trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's Responsibilities for the audit of the financial statements**

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

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## Use of our report

This report is made solely to the charity's trustee, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustee as a body, for our audit work, for this report, or for the opinion we have formed.

*Moore Kingston Smith LLP*

Statutory auditor

Date: 12 August 2025

6<sup>th</sup> Floor  
9 Appold Street  
London  
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.



ARUNDEL AND BRIGHTON DIOCESAN TRUST  
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

Note	Parishes		Central Diocese		Schools		Total £'000	2022 Total £'000
	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000		
<b>INCOME AND ENDOWMENTS FROM</b>								
<b>Donations and legacies</b>								
2	7,900	1,332	204	164	8	-	9,608	12,074
	(456)	680	119	-	-	-	343	2,484
3	85	65	55	6	233	-	444	320
<b>Charitable Activities</b>								
4	192	-	38	-	-	-	230	227
5	62	-	-	-	1,632	-	1,694	1,697
6	2,223	-	696	-	17	-	2,936	2,497
7	229	176	743	4	-	-	1,152	405
	679	-	36	-	-	-	715	628
	10,914	2,253	1,891	174	1,890	-	17,122	20,332
<b>TOTAL</b>								
<b>EXPENDITURE ON</b>								
<b>Raising funds</b>								
8	115	-	218	-	-	-	333	177
<b>Charitable activities</b>								
8	9,912	1,189	4,806	160	-	-	16,083	16,120
8	-	-	-	-	1,723	-	1,723	1,756
	10,027	1,189	5,024	160	1,723	-	18,139	18,053
<b>TOTAL</b>								
<b>Net gains/(losses) on investments</b>								
	470	82	1,531	71	-	-	2,570	(7,368)
	1,357	1,146	(1,602)	85	167	-	1,553	(5,089)
<b>NET INCOME</b>								
<b>TRANSFERS BETWEEN FUNDS</b>								
	(2,277)	-	2,277	-	-	-	-	-
	60	(43)	-	-	-	-	-	-
	(2,217)	(43)	2,277	-	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>								
	(860)	1,103	675	85	167	-	1,553	(5,089)
<b>RECONCILIATION OF FUNDS</b>								
	53,275	6,460	21,686	1,768	1,543	52	95,598	100,687
<b>FUNDS BROUGHT FORWARD</b>								
	52,415	7,563	22,361	1,853	1,710	52	97,151	95,598
<b>FUNDS CARRIED FORWARD</b>								

ARUNDEL AND BRIGHTON DIOCESAN TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2023 £'000
<b>FIXED ASSETS</b>						
Tangible assets	13	41,410	13,516	1,503	<b>56,429</b>	56,269
Investments	14	14,358	21,853	-	<b>36,211</b>	33,498
		<u>55,768</u>	<u>35,369</u>	<u>1,503</u>	<u><b>92,640</b></u>	<u>89,767</u>
<b>CURRENT ASSETS</b>						
Debtors and prepayments	15	74	2,729	19	<b>2,822</b>	1,134
Cash at bank and on deposit		8,434	(3,526)	738	<b>5,646</b>	8,641
		<u>8,508</u>	<u>(797)</u>	<u>757</u>	<u><b>8,468</b></u>	<u>9,775</u>
<b>LESS LIABILITIES</b>						
Creditors - amounts falling due within one year	16	(686)	(1,163)	(71)	<b>(1,920)</b>	(2,391)
<b>PARISH LOAN ACCOUNTS</b>						
Due to Parishes		7,154	(7,154)	-	-	-
		<u>14,976</u>	<u>(9,114)</u>	<u>686</u>	<u><b>6,548</b></u>	<u>7,384</u>
<b>NET CURRENT ASSETS</b>						
		<u>70,744</u>	<u>26,255</u>	<u>2,189</u>	<u><b>99,188</b></u>	<u>97,151</u>
<b>TOTAL NET ASSETS</b>						
<b>FUNDS OF THE CHARITY</b>						
Unrestricted funds						
General funds	17/18		3,100	686	<b>3,786</b>	2,944
Designated funds	17/18	52,220	20,557	1,503	<b>74,280</b>	73,542
	17/18	<b>52,220</b>	<b>23,657</b>	<b>2,189</b>	<b>78,066</b>	76,486
Restricted funds	17/18	8,015	1,776	-	<b>9,791</b>	9,468
Permanent endowment	17/18	10,509	822		<b>11,331</b>	11,197
		<u>70,744</u>	<u>26,255</u>	<u>2,189</u>	<u><b>99,188</b></u>	<u>97,151</u>
<b>TOTAL CHARITY FUNDS</b>						

Approved by the Corporate Trustee on 10 July 2025 and signed as authorised on its behalf by:

*+ Richard Moth*

The Right Reverend Richard Moth, Bishop of Arundel & Brighton  
Director, Arundel and Brighton Roman Catholic Diocesan Corporation Limited

ARUNDEL AND BRIGHTON DIOCESAN TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2022 £'000
<b>FIXED ASSETS</b>						
Tangible assets	13	41,456	13,310	1,503	<b>56,269</b>	54,460
Investments	14	13,803	19,695	-	<b>33,498</b>	30,744
		<u>55,259</u>	<u>33,005</u>	<u>1,503</u>	<u><b>89,767</b></u>	<u>85,204</u>
<b>CURRENT ASSETS</b>						
Debtors and prepayments	15	166	633	335	<b>1,134</b>	2,004
Cash at bank and on deposit		8,200	81	360	<b>8,641</b>	11,148
		<u>8,366</u>	<u>714</u>	<u>695</u>	<u><b>9,775</b></u>	<u>13,152</u>
<b>LESS LIABILITIES</b>						
Creditors - amounts falling due within one year	16	(709)	(1,246)	(436)	<b>(2,391)</b>	(2,758)
<b>PARISH LOAN ACCOUNTS</b>						
Due to Parishes		7,460	(7,460)	-	-	-
<b>NET CURRENT ASSETS</b>		<u>15,117</u>	<u>(7,992)</u>	<u>259</u>	<u><b>7,384</b></u>	<u>10,394</u>
<b>TOTAL NET ASSETS</b>		<u>70,376</u>	<u>25,013</u>	<u>1,762</u>	<u><b>97,151</b></u>	<u>95,598</u>
<b>FUNDS OF THE CHARITY</b>						
Unrestricted funds						
General funds	17/18		2,737	207	<b>2,944</b>	1,714
Designated funds	17/18	52,415	19,624	1,503	<b>73,542</b>	74,790
	17/18	<u>52,415</u>	<u>22,361</u>	<u>1,710</u>	<u><b>76,486</b></u>	<u>76,504</u>
Restricted funds						
Permanent endowment	17/18	7,563	1,853	52	<b>9,468</b>	8,280
	17/18	10,398	799		<b>11,197</b>	10,814
<b>TOTAL CHARITY FUNDS</b>		<u>70,376</u>	<u>25,013</u>	<u>1,762</u>	<u><b>97,151</b></u>	<u>95,598</u>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£'000	£'000
<b>Cash flows from operating activities:</b>		
<b>Net cash (used in) provided by operating activities (see below)</b>	(4,493)	(2,351)
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	980	1,152
Purchase of property, plant and equipment	(1,240)	(2,189)
Proceeds from sale of property, plant and equipment	2,742	1,065
Purchase of investments	(23,410)	(10,376)
Proceeds from sale of investments	22,426	10,192
<b>Net cash (used in) provided by investing activities</b>	1,498	(156)
<b>Net cash provided by financing activities</b>	-	-
Change in cash & cash equivalents in reporting period:	(2,994)	(2,507)
Cash & cash equivalents at beginning of reporting period:	8,641	11,148
<b>Cash &amp; cash equivalents at end of reporting period:</b>	<b>5,647</b>	<b>8,641</b>
<b>Reconciliation of net incoming resources to cash flow from operating activities</b>		
Net income/(expenditure) for reporting period (as in SOFA)	2,037	1,553
<b>Adjustments for:</b>		
Depreciation	-	30
(Surplus) or Deficit retained in Investment Portfolio	(1,729)	(2,570)
Dividends	(980)	(1,152)
Net (Gains) on Disposal of Fixed Assets	(1,662)	(715)
Decrease (Increase) in Debtors	(1,688)	870
(Decrease) in Creditors	(471)	(367)
<b>Net cash (used in) provided by operating activities</b>	<b>(4,493)</b>	<b>(2,351)</b>

## **1. ACCOUNTING POLICIES**

### **1.1 Basis of Accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)(including update bulletin 27 (Charities SORP FRS102), and the financial Reporting Standard applicable in the UK and Republic of Ireland (FR102), the Charities Act 2011 and UK generally Accepted Practice.

Arundel and Brighton Diocesan Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in sterling which is the financial currency of the entity. Monetary amounts are rounded to the nearest thousand pounds

### **1.2 Preparation of the accounts on a going concern basis**

Having considered future budgets and cash flows for a period of at least one year from the date of approval of the financial statements, the Corporate Trustee confirms that it has no material uncertainties about the entity's ability to continue as a going concern for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing the financial statements.

### **1.3 Subsidiary company**

All the turnover of the Diocese's wholly owned dependent company, the Diocese of Arundel & Brighton (Building Services) Limited, represents sales of building construction to the Diocese. The subsidiary did not trade during the year and has no material net assets or liabilities. There is no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary company. The charity and its subsidiary are not consolidated. The charity had another subsidiary, Arundel and Brighton Lourdes Pilgrimage Limited. In 2021, the assets and liabilities were transferred to the charity and it is the process of being dissolved.

### **1.4 Income**

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

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

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

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

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

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

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

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

## **1.5 Expenditure**

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

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

Charitable activities are advancement of the Roman Catholic Faith and education.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the Board, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Support costs are certain Finance Office costs which cannot be directly apportioned and are allocated on the basis of the Corporate Trustee's estimates of time spent on relevant functions. Irrecoverable VAT is included with the category of expense to which it relates.

Governance activities comprise organisational administration and compliance with constitutional and statutory requirements. Costs include direct costs of external audit, legal fees and other professional advice.

### **1.6 Tangible Fixed Assets**

Buildings held for use by the charity are included in the financial statements at original cost, where known, or at an estimate of original cost where actual figures are unavailable (see note 13). All new functional buildings and major improvements are capitalised where the cost of construction is greater than £100,000. Certain school properties owned by the Diocese are occupied and run by independent charities in the form of voluntary aided (maintained) schools. There are significant legal restrictions on the disposal of these properties under education legislation. The Corporate Trustee considers its ownership to be in the nature of custodianship of the assets and these are therefore not capitalised in the financial statements. The estimated original costs of furniture, equipment and motor vehicles are included in the financial statements.

An impairment review of buildings is performed annually to confirm whether a charge for impairment should be recognised in the statement of Financial Activities. Parish and Central freehold buildings are maintained to a high standard and depreciation is not provided for, as in the Corporate Trustee's opinion, the residual value is equal to the carrying value in the Financial Statements

Depreciation is provided on Schools contents at a rate of 25% per annum on a reducing balance method.

Realised gains/(losses) on disposal of fixed assets for charity use are included in the Statement of Financial Activities as income/expenditure. Unrealised gains and losses on fixed assets for charity use are included in the Statement of Financial Activities under gains and losses on revaluations and investment asset disposals.

### **1.7 Investments**

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

### **1.8 Voluntary Aided (Maintained) Schools Building Programme**

The Diocese administers some projects on behalf of the Governors of voluntary aided schools which are exempt charities. The financial responsibility remains with the Governors. The income and expenditure is conduit funding and as such is excluded from the Financial Statements of the Trust. Any contributions from the Diocese or its Parishes are recorded as grants to the Governors.

### **1.9 Fund Accounting**

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

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

For the purpose of the civil administration of the charity, Parishes are not distinct legal entities but branches forming part of the administrative machinery of the main Diocesan charity, albeit that they have a degree of independence. Parish funds and assets, unless held under distinct and express special Trusts evidenced in law, will be part of the Diocesan charity and will be the responsibility of the Corporate Trustee. The Corporate

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Trustee may under normal legal principles delegate its management to Parish priests with limited authority. Such Parish funds are designated funds within the unrestricted funds.

In Canon Law the Parish is firmly set within the context of the Diocese C515(1) and the Parish priest exercises his ministry under the authority of the Bishop C519. A Parish erected in accordance with the law possesses public juridical personality by the law itself C515(3). In canon law the Parish has the right to acquire, retain, administer and alienate temporal goods C1255 which as ecclesiastical goods are subject to the norms of Canon Law C1257(1).

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

The capital of permanent endowment funds (see Notes 18 and 19) 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.

Income from commercial activities is included in the period that the charity is entitled to receipt.

**1.10 Collections for Third Parties**

Where the charity does not have any discretion in collection and distribution of donations, and has no entitlement to the donation, then these amounts are conduit funding. Amounts and balances relating to conduit funding are not included in the accounts and balances of the charity.

**1.11 Recognised gains or losses**

All recognised gains or losses for the year are derived from continuing activities and are included in the Statement of Financial Activities.

**1.12 Debtors**

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

**1.13 Cash at bank and in hand**

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

**1.14 Creditors and provisions**

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

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**1.15 Estimation uncertainty**

In the view of the Corporate Trustee in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

**1.16 Financial instruments**

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

**2. COLLECTIONS AND DONATIONS**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Parish offertory collections	7,073	6,821
Donations	1,142	1,439
Gift Aid tax recovered on collections and donations	1,539	1,348
	<u>9,754</u>	<u>9,608</u>

**3. GRANTS**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Friends of Arundel Cathedral	56	55
Parishes various	37	150
Other	<u>281</u>	<u>239</u>
	<u>374</u>	<u>444</u>

**4. ADVANCEMENT OF THE ROMAN CATHOLIC FAITH (INCOME)**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Publications and repository sales	269	151
Other including courses and events	<u>67</u>	<u>79</u>
	<u>336</u>	<u>230</u>

**5. EDUCATION (INCOME)**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Independent preparatory school (Sacred Heart Wadhurst)	1,665	1,632
Parish preschools	<u>489</u>	<u>62</u>
	<u>2,154</u>	<u>1,694</u>

**6. OTHER TRADING ACTIVITIES**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Fund raising events	477	535
Lettings and sundry income	2,692	2,401
	<hr/>	<hr/>
	3,169	2,936
	<hr/>	<hr/>

**7. INVESTMENT INCOME**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Listed investments	799	650
Bank interest	181	502
	<hr/>	<hr/>
	980	1,152
	<hr/>	<hr/>

**8. CHARITABLE ACTIVITIES (EXPENDITURE) 2024**

	Direct personnel	Direct other expenditure	Direct grants	Allocated support	2024 Total
	£'000	£'000	£'000	£'000	£'000
Fund raising	22	399	-	14	435
Advancement of Roman Catholic Faith	6,492	9,432	560	571	17,055
Education	1,621	133	26	129	1,909
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	8,135	9,963	586	715	19,399
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**CHARITABLE ACTIVITIES (EXPENDITURE) 2023**

	Direct personnel	Direct other expenditure	Direct grants	Allcated support	2023 Total
	£'000	£'000	£'000	£'000	£'000
Fund raising	22	297	-	14	333
Advancement of Roman Catholic Faith	6,928	8,133	469	555	16,083
Education	1,544	38	12	129	1,723
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	8,494	8,468	481	698	18,139
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**9. CHARITABLE GRANTS**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Schools	26	12
Retired priests and housekeepers	15	13
UK Poor and sick	274	248
Overseas missions	62	53
Youth and pilgrimages	93	62
Ecumenical	18	16
Bishop's conference	29	13
Woman Refugee	50	-
Other	19	64
	<u>586</u>	<u>481</u>

**10. SUPPORT COSTS 2024**

	Fund raising	Advancement of RC Faith	Education	Total	2023
	£'000	£'000	£'000	£'000	£'000
Governance	14	157	21	192	187
Finance Office	-	414	108	522	509
<b>TOTAL</b>	<b>14</b>	<b>571</b>	<b>129</b>	<b>713</b>	<b>696</b>

**SUPPORT COSTS 2023**

	Fund raising	Advancement of RC Faith	Education	Total	2022
	£'000	£'000	£'000	£'000	£'000
Governance	14	152	21	187	209
Finance Office	-	401	108	509	556
<b>TOTAL</b>	<b>14</b>	<b>554</b>	<b>129</b>	<b>696</b>	<b>765</b>

The Finance Office provides advice and help to Parishes, departments within Central Diocese and Schools. Services include accounting, banking, payroll, investment management, property, legal compliance, HR support and Health and Safety support. Costs have been allocated to activities based on the Corporate Trustee's estimate of staff time spent on these activities. Governance costs included fees paid to auditors as follows: audit fees: £54,000 (2023 £54,000), fees for other services £Nil (2023 £Nil).

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**11. STAFF INFORMATION****11.1 Staff costs**

	Parish £'000	Central Diocese £'000	Schools £'000	TOTAL £'000	2023 £'000
Employee Salaries	1,748	1,628	1,208	4,584	4,274
Social Security	89	148	80	317	308
Pension Costs	123	177	154	454	439
Total Employee Costs	1,960	1,953	1,442	5,355	5,021
Clergy & Religious Costs	1,288	236	-	1,524	2,182
Travel & Office Costs	611	466	179	1,256	1,291
<b>TOTAL</b>	<b>3,859</b>	<b>2,655</b>	<b>1,621</b>	<b>8,135</b>	<b>8,494</b>

Key management personnel received salary and pension contributions of £427k (2023 £407k).

Included in the staff costs above were redundancy costs of £11k (2023 £19k).

**11.2 Pension payments**

The Diocese operates two pension schemes, a closed scheme where it contributes 15% of gross salary to a group personal pension scheme for staff members in the Parishes and Central Diocese and the auto-enrolment scheme whereby the employer contributes 5% and the employee contributes 4%. The scheme is a defined contributions scheme for which the Diocese is neither liable to finance any funding shortfall nor entitled to benefit from any over-funding. There were no contributions outstanding at the year-end (2023 £32k).

The Diocese participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £80k (2023 £78k) and there were no contributions outstanding at the year-end (2023 £6k).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The previous actuarial valuation of the TPS confirmed an employer contribution rate for the TPS of 23.68% from September 2019.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

**11.3 Staff numbers**

	Parish	Central Diocese	Schools	TOTAL	2023
Clergy & Religious	94	3	-	97	90
Employees - average weekly numbers	170	58	64	292	289
	264	61	64	389	379

**11.4 Employee emoluments**

	Parish	Central Diocese	Schools	TOTAL	2023
Between £60,001 and £70,000		1		1	1
Between £70,001 and £80,000		1		1	-
Between £80,001 and £90,000		-		-	1
Between £90,001 and £100,000		-		-	1
Between £100,001 and £110,000		2		2	1
Between £110,001 and £120,000		-		-	-
Between £120,001 and £130,000		-		-	1

**12. BOARD OF DIRECTORS INFORMATION**

The Corporate Trustee, The Arundel and Brighton Roman Catholic Diocesan Corporation Limited, (Company number 00946255) is managed by a Board of Directors comprising four priests, one religious and six lay people. The priests receive income for their office together with living accommodation, living expenses and reimbursement of costs incurred on the same basis as other Diocesan priests. No Director receives any remuneration or benefits from his/her role as Director other than cover under the indemnity insurance purchased by the charity. No Director fees or expenses were paid in 2024 (2023 £Nil).

The Directors are:

Bishop Richard Moth  
 Patrick Bergin  
 Jane Bertelsen  
 Patrick Burgess  
 Fr Jonathan How  
 John Lydon  
 Kieran Maloney  
 Canon Jonathan Martin  
 Greg Melly  
 Canon Kieron O'Brien  
 Clare Wordsworth

**13. TANGIBLE FIXED ASSETS**

	Freehold	Contents	Total
	£'000	£'000	£'000
<b>COST OR VALUATION</b>			
At 1 January 2024	73,460	233	73,693
Additions	1,240	-	1,240
Disposals	(1,227)	-	(1,227)
At 31 December 2024	73,473	233	73,706
<b>DEPRECIATION</b>			
At 1 January 2024	17,191	233	17,424
Charge for year	-	-	-
Disposals	(147)	-	(147)
At 31 December 2024	17,044	233	17,277
<b>NET BOOK VALUE</b>			
At 31 December 2024	56,429	-	56,429
At 1 January 2024	56,269	-	56,269

The Diocese has 38 maintained (voluntary aided) schools constituted as separate charities. Two Multi-Academy Trusts have been established as separate companies. A total of 26 Academies have joined the Trusts. The school properties (land and buildings) are owned by the Diocese. Their value is estimated at £800 million. The Corporate Trustee cannot take a unilateral decision to dispose of these properties. Disposal can only occur if the school governors and the Secretary of State for Education decide that all or part of a school site is no longer required for education. In most circumstances, where a disposal occurs, the Secretary of State or the local authority may be entitled to recoup grant. Although no rights of ownership vest in the school governing body, most other rights and obligations, such as for the maintenance and repair of the school and its facilities, are passed to the governors. The Corporate Trustee considers that, for the purposes of these Financial Statements, the nature of their ownership is that of a custodianship and therefore these properties have not been capitalised. The Diocese leases land and buildings at two of these schools from Religious Orders. A further school is a joint Anglican/Roman Catholic foundation. The Diocesan Directory lists all maintained schools and Academies owned, leased or jointly administered by the Diocese. Apart from a small proportion used for management and administration, all fixed assets are used in direct furtherance of the charity's objects. Assets of Trusts are consolidated with the Diocesan accounts under Charity Commission uniting directions. St Joseph's Specialist School and College in Cranleigh is held by a separate charity.

**14. INVESTMENTS**

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Listed Investments	36,003	32,079
Cash Deposits	208	1,419
	<hr/>	<hr/>
<b>TOTAL INVESTMENTS</b>	<b>36,211</b>	<b>33,498</b>
	<hr/>	<hr/>

**Summary of investments**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
OPENING VALUATION 1 Jan 2024	33,498	30,744
Acquisitions at Cost	23,410	10,376
Proceeds of Sales less fund management fees	(22,426)	(10,192)
Gains/(Losses) during the year	1,729	2,570
	<hr/>	<hr/>
<b>CLOSING VALUATION 31 Dec 2024</b>	<b>36,211</b>	<b>33,498</b>
	<hr/>	<hr/>

**15. DEBTORS**

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Advances to schools (£125k due after one year)	1,059	329
Inter Diocese Balances	147	140
Accrued Income	303	-
Other Debtors and Prepayments	492	665
Government capital funding for allocation to schools	821	-
	<b>2,822</b>	<b>1,134</b>

**16. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Parish Collections, Supplies and Accruals	771	759
Fees Paid in Advance	71	436
Inter Diocese Balances	147	140
Other Creditors	437	433
Government capital funding for allocation to schools	494	623
	<b>1,920</b>	<b>2,391</b>

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**17. FUNDS NET ASSET ANALYSIS 2024**

	Tangible assets £'000	Investments £'000	Net current assets £'000	2024 £'000
<b>UNRESTRICTED</b>				
Parishes	34,594	7,815	9,811	52,220
Central Diocese	12,983	20,293	(9,619)	23,657
Schools	1,503	-	686	2,189
	49,080	28,108	878	78,066
<b>RESTRICTED</b>				
Parishes	1,964	1,051	5,000	8,015
Central Diocese	211	1,059	506	1,776
Schools	-	-	-	-
	2,175	2,110	5,506	9,791
<b>ENDOWMENT</b>				
Parishes	4,852	5,492	165	10,509
Central Diocese	322	501	(1)	822
	5,174	5,993	164	11,331
<b>TOTAL FUNDS</b>	56,429	36,211	6,548	99,188

**FUNDS NET ASSET ANALYSIS 2023**

	Tangible assets £'000	Investments £'000	Net current assets £'000	2023 £'000
<b>UNRESTRICTED</b>				
Parishes	34,640	7,363	10,411	52,414
Central Diocese	12,778	18,207	(8,624)	22,361
Schools	1,503	-	207	1,710
	48,921	25,570	1,994	76,485
<b>RESTRICTED</b>				
Parishes	1,926	1,041	4,621	7,588
Central Diocese	211	1,010	632	1,853
Schools	-	-	52	52
	2,137	2,051	5,305	9,493
<b>ENDOWMENT</b>				
Parishes	4,890	5,399	85	10,374
Central Diocese	321	478	-	799
	5,211	5,877	85	11,173
<b>TOTAL FUNDS</b>	56,269	33,498	7,384	97,151

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**18. FUNDS ANALYSIS 2024**

	Opening balance £000s	Income £000s	Expenditure £000s	Investment gains / (losses) £000s	Transfers £000s	Closing balance £000s
<b>UNRESTRICTED GENERAL FUNDS</b>						
Parishes (see note)						
Central	2,738	2,776	(4,613)	1,065	1,134	3,100
Schools	207	2,336	(1,857)	-	-	686
	<b>2,945</b>	<b>5,112</b>	<b>(6,470)</b>	<b>1,065</b>	<b>1,134</b>	<b>3,786</b>
<b>UNRESTRICTED DESIGNATED FUNDS</b>						
Parishes (see note)	52,415	12,887	(11,067)	294	(2,309)	52,220
Central						
Retired priests	3,575	60	(557)	-	150	3,228
Ecclesiastical education	727	207	(126)	-	150	958
Clergy formation	1,653	-	-	-	-	1,653
Mission fund	975	-	(69)	-	-	906
Fixed Assets	12,364	-	-	-	389	12,753
Advances	329	-	-	-	730	1,059
Schools	1,503	-	-	-	-	1,503
	<b>73,541</b>	<b>13,154</b>	<b>(11,819)</b>	<b>294</b>	<b>(890)</b>	<b>74,280</b>
	<b>76,486</b>	<b>18,266</b>	<b>(18,289)</b>	<b>1,359</b>	<b>244</b>	<b>78,066</b>
<b>TOTAL UNRESTRICTED FUNDS</b>						
<b>RESTRICTED FUNDS</b>						
Parishes						
Parishes within Diocesan Trust	4,605	1,258	(833)	7	-	5,037
Trusts connected with Parishes	2,364	10	(5)	24	(30)	2,363
Endowment trusts restricted income	594	131	(42)	3	(71)	615
	<b>7,563</b>	<b>1,399</b>	<b>(880)</b>	<b>34</b>	<b>(101)</b>	<b>8,015</b>
Central						
Poor	401	-	(57)	24	-	368
Lourdes Pilgrimage	562	-	(74)	-	-	488
Foundation Masses	546	-	-	26	-	572
UBS Chaplaincies	79	28	(19)	-	-	88
Others	54	5	(10)	-	-	49
Trusts connected with Central	211	-	-	-	-	211
	<b>1,853</b>	<b>33</b>	<b>(160)</b>	<b>50</b>	<b>-</b>	<b>1,776</b>
Schools						
Catholic Education promotion	52	-	(52)	-	-	-
	<b>9,468</b>	<b>1,432</b>	<b>(1,092)</b>	<b>84</b>	<b>(101)</b>	<b>9,791</b>
<b>TOTAL RESTRICTED FUNDS</b>						
<b>ENDOWMENT FUNDS</b>						
Parishes						
Parishes within Diocesan Trust	1,033	-	-	41	(150)	924
Trusts connected with Parishes	9,365	9	(18)	222	7	9,585
	<b>10,398</b>	<b>9</b>	<b>(18)</b>	<b>263</b>	<b>(143)</b>	<b>10,509</b>
Central						
Episcopal administration	346	-	-	23	-	369
Ecclesiastical education	131	-	-	-	-	131
Trusts connected with Central	322	-	-	-	-	322
	<b>799</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>822</b>
	<b>11,197</b>	<b>9</b>	<b>(18)</b>	<b>286</b>	<b>(143)</b>	<b>11,331</b>
<b>TOTAL ENDOWMENT FUNDS</b>						
<b>TOTAL ALL FUNDS</b>						
	<b>97,151</b>	<b>19,707</b>	<b>(19,399)</b>	<b>1,729</b>	<b>-</b>	<b>99,188</b>

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**Unrestricted designated funds**

The Corporate Trustee has set aside designated funds out of unrestricted funds to ensure that certain activities or responsibilities of the Trust are adequately financed. The following are continuous funds designated for long-term use:

- Parishes - in Canon Law each parish has a distinct legal personality and is administered by the parish priest under the authority of the Bishop. In Canon Law a parish can acquire and dispose of assets in its own right. The Corporate Trustee regards parish unrestricted funds as designated funds. Parishes transferred £2.5 million to the Central Diocese to support Central activities.
- Retired Priests - to support priests in retirement with accommodation and nursing needs.
- Ecclesiastical Education - for the education of students to the priesthood and continuing formation.
- Fixed Assets – for the provision of land and buildings for use in the activities of the Diocese. A separate fund is designated for fixed assets used by Schools.
- Advances – to provide long-term loans to schools to finance development programmes.
- Clergy Formation - clergy formation (including ongoing formation) and the fostering of vocations.
- Diocesan Mission Fund - projects that support the implementation of the Pastoral Plan, with its emphasis on lay formation and evangelisation.

**Restricted funds**

In the Parishes these mainly relate to funds raised for specific parish building projects.

In the Central Diocese funds are restricted for the following purposes:

- Poor - Aid to poor religious orders and laity
- Foundation Masses - Clergy stipends for Masses celebrated on the anniversary of the deceased
- Universities of Brighton & Sussex Chaplaincies - created from donations from Trust to maintain Chaplaincy building and facilities
- Lourdes Pilgrimage – for promoting and organising pilgrimages to Lourdes

**Permanent endowment funds**

Eight parishes have connected permanent endowment trusts for their support. See note 19. A Total Return approach is adopted to the permanent endowment investments.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

### 18. FUNDS ANALYSIS 2023

	Opening balance £000s	Income £000s	Expenditure £000s	Investment gains / (losses) £000s	Transfers £000s	Closing balance £000s
<b>UNRESTRICTED GENERAL FUNDS</b>						
Parishes (see note)						
Central	1,685	1,610	(4,177)	1,531	2,088	2,737
Schools	29	1,890	(1,712)	-	-	207
	1,714	3,500	(5,889)	1,531	2,088	2,944
<b>UNRESTRICTED DESIGNATED FUNDS</b>						
Parishes (see note)	53,275	10,914	(10,027)	470	(2,217)	52,415
Central						
Retired priests	3,797	126	(499)	-	151	3,575
Ecclesiastical education	727	2	(153)	-	151	727
Clergy formation	1,500	153	-	-	-	1,653
Mission fund	1,170	-	(195)	-	-	975
Fixed Assets	12,364	-	-	-	-	12,364
Advances	442	-	-	-	(113)	329
Schools						
Fixed Assets	1,514	-	(11)	-	-	1,503
	74,790	11,195	(10,885)	470	(2,028)	73,542
	76,504	14,695	(16,774)	2,001	60	76,486
<b>TOTAL UNRESTRICTED FUNDS</b>						
<b>RESTRICTED FUNDS</b>						
Parishes						
Parishes within Diocesan Trust	3,579	2,154	(1,158)	30	-	4,605
Trusts connected with Parishes	2,330	8	(5)	31	-	2,364
Endowment trusts restricted income	551	91	(26)	21	(43)	594
	6,460	2,253	(1,189)	82	(43)	7,563
Central						
Poor	422	-	(56)	35	-	401
Lourdes Pilgrimage	610	56	(104)	-	-	562
Foundation Masses	506	4	-	36	-	546
UBS Chaplaincies	(21)	100	-	-	-	79
Others	40	14	-	-	-	54
Trusts connected with Central	211	-	-	-	-	211
	1,768	174	(160)	71	-	1,853
Schools						
Catholic Education promotion	52	-	-	-	-	52
	8,280	2,427	(1,349)	153	(43)	9,468
<b>TOTAL RESTRICTED FUNDS</b>						
<b>ENDOWMENT FUNDS</b>						
Parishes						
Parishes within Diocesan Trust	959	-	-	74	-	1,033
Trusts connected with Parishes	9,089	-	(16)	309	(17)	9,365
	10,048	-	(16)	383	(17)	10,398
Central						
Episcopal administration	313	-	-	33	-	346
Ecclesiastical education	131	-	-	-	-	131
Trusts connected with Central	322	-	-	-	-	322
	766	-	-	33	-	799
	10,814	-	(16)	416	(17)	11,197
<b>TOTAL ENDOWMENT FUNDS</b>						
<b>TOTAL ALL FUNDS</b>						
	95,598	17,122	(18,139)	2,570	-	97,151

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**19. CONNECTED TRUSTS**

Trust	Beneficiary	Nature	Opening balance £'000	Income £'000	Expenditure £'000	Investment gains / (losses) £'000	Transfers £'000	Closing balance 2024 £'000
<b>RESTRICTED</b>								
Ashburnham	Battle	Land and investments	682	10	(5)	24	(30)	681
Elmer	Retired priests	Land	211					211
Gaisford	Worthing	Land	10					10
Grant	St Leonard's	Land	135					135
Hyland	Godalming	Land	58					58
Munster	Keymer	Land	39					39
Norfolk	Dorking	Land	2					2
Norfolk	Horsham	Land	934					934
Salvin	Sutton Park	Land	246					246
Stacpole	Caterham	Land	258					258
			<b>2,575</b>	<b>10</b>	<b>(5)</b>	<b>24</b>	<b>(30)</b>	<b>2,574</b>
<b>PERMANENT ENDOWMENT RESTRICTED INCOME</b>								
Bedingfeld	Duncton	Investments	27	6	(7)			26
Biddulph Education	Duncton	Investments	47	15	(11)			51
Buckley	Retired priests	Land and investments	-					-
Cemetery	Burwash	Land and investments	-					-
Hope	Herons Ghyll	Land and investments	44	8				52
Lang	Oxted	Land and investments	-					-
Leslie	Slindon	Land and investments	5	22	(22)			5
Norfolk	Angmering	Land and investments	428	14	(2)	3	(14)	429
Norfolk 1901	Littlehampton	Investments	16	9				25
Norfolk Cemetery	Arundel	Land and investments	-					-
Norfolk Cemetery	Houghton	Land and investments	27					27
Scawen Blunt	Crawley	Land and investments	-	57			(57)	-
			<b>594</b>	<b>131</b>	<b>(42)</b>	<b>3</b>	<b>(71)</b>	<b>615</b>
<b>PERMANENT ENDOWMENT</b>								
Bedingfeld	Duncton	Investments	231		(1)	13		243
Biddulph	Duncton	Land	1					1
Biddulph Education	Duncton	Investments	611		(1)	33		643
Buckley	Retired priests	Land	322					322
Cemetery	Burwash	Investments	6					6
Hope	Herons Ghyll	Investments	354		(1)	19		372
Hope	Herons Ghyll	Land	2					2
Lang	Oxted	Investments	5					5
Lang	Oxted	Land	1,156					1,156
Leslie	Slindon	Investments	358	9	(2)	19		384
Leslie	Slindon	Land	161					161
Norfolk	Arundel	Land	799					799
Norfolk	Littlehampton	Land	168					168
Norfolk 1901	Littlehampton	Investments	278		(1)	2		279
Norfolk Cemetery	Arundel	Investments	71		(1)	1		71
Norfolk Cemetery	Arundel	Land	803					803
Norfolk Cemetery	Houghton	Investments	4			1		5
Pauling	Effingham	Land	647					647
Scawen Blunt	Crawley	Investments	2,557		(11)	134	7	2,687
Scawen Blunt	Crawley	Land	1,153					1,153
			<b>9,687</b>	<b>9</b>	<b>(18)</b>	<b>222</b>	<b>7</b>	<b>9,907</b>
<b>TOTAL CONNECTED TRUSTS</b>								
			<b>12,856</b>	<b>150</b>	<b>(65)</b>	<b>249</b>	<b>(94)</b>	<b>13,096</b>

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**Permanent endowment trust investments**

A Total Return approach is adopted to the permanent endowment investments for eight parish trusts:

	Bedingfeld Duncton £'000	Biddulph Education Duncton £'000	Hope Herons Ghyll £'000	Scawen Blunt Crawley £'000	Leslie Slindon £'000	Norfolk 1901 L'hampton £'000	Norfolk Cemetery Arundel £'000	Norfolk Cemetery Houghton £'000
<b>As at 1.1.24</b>								
PE Gift	156	347	280	775	85	129	39	2
Unapplied total return	75	264	74	1,782	273	149	32	2
<b>Total</b>	<b>231</b>	<b>611</b>	<b>354</b>	<b>2,557</b>	<b>358</b>	<b>278</b>	<b>71</b>	<b>4</b>
<b>During the year:</b>								
Transfer to Endowment				7	9			
Investment gains	13	33	19	134	19	2	1	1
Investment management costs	(1)	(1)	(1)	(11)	(2)	(1)	(1)	-
<b>Total</b>	<b>12</b>	<b>32</b>	<b>18</b>	<b>130</b>	<b>26</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>As at 31.12.24</b>								
PE Gift	156	347	280	775	85	129	39	2
Unapplied total return	87	296	92	1,912	299	150	32	3
<b>Total</b>	<b>243</b>	<b>643</b>	<b>372</b>	<b>2,687</b>	<b>384</b>	<b>279</b>	<b>71</b>	<b>5</b>

The following trusts comprise land holdings only for schools and/or cemeteries:

St Joseph's primary school trust in Haywards Heath

Fairlight cemetery trust near Hastings (permanent endowment)

Marist primary school trust in West Byfleet

Education trust for Diocese

Norfolk trust for school and cemetery in Angmering

## 20. COMMITMENTS GUARANTEES AND CONTINGENCIES

**Capital Commitments:** At 31 December 2024 there were no capital commitments on Parish properties, maintained or independent schools (2023 Nil).

**Contingent Liability:** The Diocese provides support to its retired priests, in line with established Diocesan practice and in accordance with Canon Law requirements. In the opinion of the Corporate Trustee, this constitutes a constructive obligation, as defined by the Charities SORP (FRS 102). The amount of this obligation cannot be measured with sufficient reliability as the support required by individual priests will vary considerably, particularly depending on whether any third-party care is needed.

## 21. SUBSIDIARY COMPANIES

### **DIOCESE OF ARUNDEL & BRIGHTON (BUILDING SERVICES) LIMITED**

The wholly owned trading subsidiary was incorporated in the United Kingdom in 1991 (Reg No 2576444). The company manages building contracts on behalf of the Diocese. The Diocese owns all the issued share capital of two ordinary shares. A summary of the trading results is shown below.

All the turnover represents sales of building construction to the Diocese. The subsidiary has no material net assets or liabilities and there is therefore no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary. The charity and its subsidiary are not consolidated. This company is dormant and has not traded since 2016.

### **Arundel and Brighton Lourdes Pilgrimage Limited**

The wholly owned trading subsidiary was incorporated in the United Kingdom (Reg no 2998831). The company directors resolved to wind up the company in 2021 and its trade, assets and liabilities were transferred to the Diocese trust in that year. The total net liabilities transferred was (£1,938) in 2021. It is anticipated that this company will be struck off during 2025.

## 22. Related Party Transactions

Insofar as the Directors are aware, there are no matters required to be reported other than that already shown in the accounts.

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

England & Wales - Charity number 252878

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# Accounts

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# ANNUAL REPORT & ACCOUNTS

Incorporating Thirty Connected Trusts under  
Charity Commission Uniting Directions



For the year ended 31 December 2023



THE CATHOLIC DIOCESE OF  
ARUNDEL & BRIGHTON

**Arundel & Brighton Diocesan Trust**  
Registered Charity No. 252878

The St Philip Howard Centre,  
4 Southgate Drive, Crawley  
West Sussex RH10 6RP



# ARUNDEL & BRIGHTON DIOCESAN TRUST

Registered Charity No. 252878

## Annual Report & Accounts

Incorporating Thirty Connected Trusts under  
Charity Commission Uniting Directions

**For the year ended 31 December 2023**

The St Philip Howard Centre, 4 Southgate Drive, Crawley  
West Sussex RH10 6RP

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2023

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Balance Sheet	19
Statement of Cash Flows	21
Accounting Policies & Notes to Accounts	22

### CONNECTED TRUSTS UNDER CHARITY COMMISSION UNITING DIRECTIONS

#### Trusts Linked to Diocesan Trust on Charity Commission website

Battle Ashburnham	252878 - 1
Diocese Buckley	252878 - 2
Slindon Leslie	252878 - 3
Littlehampton Norfolk	252878 - 4
Littlehampton Norfolk 1901	252878 - 5
Diocese Education	252878 - 6
Duncton Bedingfeld	252878 - 7
Hérons Ghyll Hope	252878 - 8
Crawley Scawen Blunt	252878 - 9
Duncton Biddulph	252878 - 10
Arundel Norfolk	252878 - 11
Houghton Norfolk Cemetery	252878 - 12
Arundel Norfolk Cemetery	252878 - 13
Duncton Biddulph Education	252878 - 14
Angmering Norfolk	252878 - 15

#### Other Trusts

Burwash Cemetery  
Caterham Stacpole  
Dorking Norfolk  
Effingham Pauling  
Godalming Hyland  
Hastings Fairlight Shadwell Cemetery  
Horsham Norfolk  
Keymer Munster  
Oxted Lang  
St Leonards Grant  
Sutton Park Salvin  
West Byfleet Marist School  
Worthing Gaisford

#### The following Trusts consolidated their accounts with the Diocese's by resolution of their Trustees:

Diocese Elmer  
Haywards Heath St Joseph's School

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **LEGAL AND ADMINISTRATIVE DETAILS**

##### **TRUSTEES**

Right Reverend Richard Moth, Bishop of Arundel and Brighton – Chair  
P Bergin  
Sr J Bertelsen  
P Burgess OBE, DL, KSG, KGCHS  
Reverend Father J How  
J Lydon  
K Maloney  
Reverend Canon J S Martin VG  
Reverend Canon K J O'Brien  
C Wordsworth  
G Melly (appointed 12 January 2023)

##### **Secretary to Trustees**

S M Kilmartin

##### **DIOCESAN OFFICE**

The St. Philip Howard Centre  
4 Southgate Drive  
Crawley  
West Sussex  
RH10 6RP

##### **FINANCE COMMITTEE**

Reverend Father J How – Chair  
Mr P Bergin ACA  
W Connell FCMA (resigned 23 March 2023)  
J Cornish FRICS (resigned 8 February 2023)  
Reverend Deacon P Gately FIA (resigned 6 Feb 2024)  
Mr Patrick Gloyens (resigned 6 Feb 2024)  
Mr David Innes (appointed 27 April 2024)  
Mrs Alison Morgan (appointed 27 April 2024)

##### **KEY MANAGEMENT PERSONNEL**

Chief Operating Officer	Mrs S M Kilmartin
Director, Education Service	Mrs J Oldroyd
Clergy Welfare Officer	Ms Annie Condon
Safeguarding Coordinator	Mrs Angela McGrory
Head of Communications	Ms Laura Maydew Gale

##### **ADVISERS**

##### **AUDITOR**

Moore Kingston Smith LLP  
6<sup>th</sup> Floor 9 Appold Street  
London EC2A 2AP

##### **SOLICITORS**

DMH Stallard  
Gainsborough House  
Pegler Way  
Crawley

West Sussex RH11 7FZ

##### **INVESTMENT MANAGERS**

Joh. Berenberg, Gossler & Co. KG  
60 Threadneedle Street  
London EC2R 8HP

##### **BANKERS**

HSBC Bank plc  
69 Pall Mall  
London SW1Y 5EY

##### **INSURANCE MANAGERS**

Catholic Insurance Service Ltd  
Suite 5, Oxford House  
Oxford Road  
Thame OX9 2AH

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

The Arundel and Brighton Diocesan Trust is a charity established by a Trust deed dated 19th May 1967 as amended 14th November 1967 and 4th December 1998. The charity is registered with the Charity Commission of England and Wales (No. 252878).

The Trustees present their report and financial statements for the year ended 31 December 2023.

### **OBJECTIVES AND ACTIVITIES**

The Diocese is a portion of the People of God, defined by its territories – in this case, the city of Brighton & Hove, the counties of East and West Sussex and Surrey outside the London Boroughs. The Diocese serves its people in 66 Parishes and through its 64 schools, the Diocesan central agencies and in chaplaincy to hospitals, prisons and universities. The aim of the Diocese is, in accordance with the objectives of the charity, the advancement of the Roman Catholic religion and education.

The Diocese gathers principally through the worship of God and through prayer. This is the foundation of its work and, built on this foundation, the Diocese brings its people together for formation in the Roman Catholic religion. This work of formation is carried out in a number of ways: in Parishes; at diocesan level through conferences and courses and Cathedral liturgies; through the provision of retreats; through the work of its schools. This formation enables the people of the Diocese to exercise the mission of the church. This is carried out in myriad ways through social outreach, especially to the poor and disadvantaged – often at Parish and local level; through provision of courses for those who may wish to explore faith; through support of the work of the Church in other parts of the world.

In order to achieve these aims, a number of strategies are put in place by the Trustees. These include support for 66 Parishes and 64 Catholic schools serving some 30,000 pupils. A large diocesan pilgrimage to Lourdes is undertaken each year. Chaplaincy services are provided for universities, hospitals, hospices and prisons.

The achievement of these aims fulfils the legal purposes of the charity and impacts on society at a number of levels. The young are enabled to take a responsible place in society, enriching it through their way of life; care is provided to those who are in hospital, elderly or housebound; to those in prison and to those who live with disability. Family life is fostered and supported. Support is given to the bereaved through a network of trained volunteer befrienders. The outreach of the Diocese enables many others to avail themselves of the social support offered by the Church. The effect of the Diocese's work beyond its boundaries has a deep impact on those living in the poorer parts of the world. A particular impact in recent years has been achieved in the support of refugees and through a project to encourage people in the care of the natural world and its resources.

The Bishop has oversight of the whole Diocese, achieved through visitations of Parishes, schools and the various operations of the Diocese referred to above. He is aided in this through the work of a number of consultative bodies and by Deans who have pastoral oversight of groupings of Parishes.

The schools of the Diocese are subject to both OFSTED and Catholic School Inspections and are very well supported by the Diocesan Education Service.

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Service by Volunteers**

Much of the activity of the Diocesan Trust is carried out by volunteers. Typically, between 10% and 20% of any parish community will be actively engaged in such activity, either in parish initiatives or through the service offered by other Catholic organisations that are present across the Diocese and beyond. The Diocesan Trustees, parish clergy and diocesan central staff value this engagement, which is an intrinsic part of the life of the Church.

#### **Grant making policy**

The Diocesan Trust is not primarily a grant making charity. Most grants are of modest size. Occasional larger grants are made by The Trustees, most often to Catholic schools to assist with capital projects.

#### **Public benefit**

The Trustees confirm that they have complied with the duty in the Charities Act 2011 section 17 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity. The public benefit provided by the Charity includes the provision of religious ceremonies (such as baptisms, weddings and funerals), maintaining religious burial grounds, celebrating public Masses, and providing and maintaining places of worship. There is also a benefit to the general public as churches can be accessed by people of all faiths and none, for personal spiritual contemplation. Catholic schools and parishes are communities which contribute to the moral and spiritual wellbeing of those who participate. From these centres educational, social and pastoral work is carried out as a practical expression of faith. All of these contribute to the wellbeing of civic society in our country.

### **ACHIEVEMENTS AND PERFORMANCE**

Mass attendance has now returned to pre-pandemic levels in most parishes, with some seeing a further increase in attendance. It is clear that a number of people are finding faith in new ways, partly in the wake of the pandemic and partly in response to the present world situation.

The mentoring and supervision scheme for clergy, to which reference was made in last year's report, is developing positively, with an increasing number of clergy taking up this opportunity as a support to their ministry. This is especially so for the younger clergy, for whom mentoring will have been a part of their formation for priesthood.

Levels of poverty continue to impact negatively in a number of communities, with some parts of the South Coast being of particular concern. Parishes are being increasingly called upon for support, with some initiatives having a significant impact. A notable example has developed in East Brighton, where a 'junk food' café has been established, offering a very good service to the local community. The LiveSimply programme continues to be taken up by parishes and schools. Our communities have continued to respond generously to the crisis in Ukraine and to the needs of refugees present in the Diocese, notably through support for organisations that have the particular expertise required.

The success of on-line opportunities for faith formation continues and will remain a feature of Diocesan life. "Invited", the online Mission drew significant numbers of participants, and is continuing in the current year while building to a conclusion in 2025.

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2023**

The response to other opportunities for formation is very encouraging. The 'Ministry of Consolation', offering accompaniment to the bereaved, continues to develop. This entails a significant commitment in training, enabling those who carry out the ministry to offer the best possible support. Courses for catechists, those engaged in family ministry, days for readers and extraordinary ministers of Holy Communion bring together people from across the Diocese, serving the purpose of the charity in an effective way. The Certificate in Religious Studies continues to attract teachers and others seeking to share their faith and participate more actively in the life of their parishes.

The progress in the development of the two Multi-Academy Trusts has continued at a deliberate pace, as is required by the need for due diligence on the one hand and the capacity of the trusts themselves on the other. The Trust in Surrey, begun first, is now engaging effectively in the formation and training of teachers.

The move of the Diocesan Offices onto one site (mentioned in last year's report) has proved very effective in bringing together the work of the various teams at the service of the Diocese.

The Synod of Bishops, which took place in October 2023 was the first of two meetings to take place in Rome. The consultation that took place across the Diocese in preparation for that gathering has proved valuable with regard to the delivery of the Pastoral Plan.

The celebrations of the 150th Anniversary of the building of Arundel Cathedral in 2023 were joyous occasions, bringing together people from across the Diocese and beyond in marking the life and mission of the Cathedral – the mother church of the Diocese. Through the course of the year, in addition to the specific celebration, very great numbers of people visited the Cathedral, with all Confirmations taking place there, in addition to the other celebrations that took place for schools and a full programme of concerts. These events were effective in furthering the mission of the Diocese and bringing the life and work of the Cathedral to the attention of the wider population.

The Social Action of the Diocese has continued throughout the year, with requests for assistance coming to the Refugee Project.

The Diocesan Pilgrimage to Lourdes travelled in 2023 and saw increasing numbers. The development of a new group of young helpers was very positive and is set to grow further in the coming years. This is in addition to the family and youth programmes that are key elements in the pilgrimage. As always, the pilgrimage is a very significant experience, especially for the assisted pilgrims and their helpers.

#### **FINANCIAL REVIEW**

Before taking into account the investment gains, there was a deficit of £1.0 million. Income decreased in the year to £17.1 million (2022 £20.3 million). The reduction in revenue of £3.2 million compared to 2022 was mainly as a result of large donations of £3.0 million in the previous year. Expenditure remained steady at £18.1 million (2022 £18.1 million). The net surplus for the year was £1.6 million (2022 £(5.0) million deficit). There was an increase in cash outflow to £2.4 million (2022 £1.9 million inflow) due to purchase of fixed assets up by £1.3 million and disposal proceeds on sales of fixed assets down by £0.4 million. Overall Diocesan funds increased to £97.2 million (2022 £95.6 million).

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

The income and expenditure of the Diocesan Trust is set out in three principal components: Parishes, Central Diocese and Schools. The basis of charitable expenditure is made by reference to the objectives of the charity: the advancement of the Roman Catholic religion and education. The thirty connected Trusts are incorporated into the results for the area of the Diocese to which they relate. Twenty-eight of the connected Trusts provide the land and church buildings for Parishes who maintain the properties and two are linked to activities of the Central Diocese (care for retired priests).

The financial statements comply with the Charities Act 2011, Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (including update bulletin 27 (Charities SORP FRS102), and the financial Reporting Standard applicable in the UK and Republic of Ireland (FR102), the Charities Act 2011 and UK generally Accepted Practice, and are in accordance with the accounting policies of the Diocese.

The majority of funds in the charity are raised and expended within each individual Parish or centre of activity in support of its work. In addition to financing their own activities, Parishes also support the Diocese through the transfer of funds to cover both general and specific activities of the Diocese.

#### **Parishes**

The net Surplus in funds before transfers was £2.9 million (2022 £0.3 million). Income was £13.2 million compared with last year's £14.1 million due to reduction in legacies offset by an increase in trading activities and an increase of investment income of £0.2m. Expenditure remained steady at £11.2 million (2022 £11.0 million). Parishes contributed £2.3 million to the central costs of the Diocese through transfers (2022 £2.2 million).

Most of the costs incurred in the Parishes were attributed to the primary activity of the Diocese: advancement of the Roman Catholic faith.

Parish overall surplus at year end was £0.6 million (2022 deficit £1.9 million). Parish funds increased to £70.4 million (2022 £69.8 million). Tangible fixed assets at cost less any depreciation were £41.4 million at year end, steady with last year's £41.5 m.

#### **Central Diocese**

The Central Diocese comprises the office of the Bishop and Curia, including the Chancery and Tribunal, as well as the Formation Team, the Education Service and Safeguarding Team and the officers providing support with Finance, Health & Safety, Property, HR, Communications and IT. The Central office in Crawley is maintained to accommodate these staff and to provide facilities for meetings and training for a wide range of participants from schools and parishes. The net deficit for the year was £(1.5) million compared to a deficit of £(5.7) million last year. Income has been reduced following a donation of £2.7 million received last year offset by an increase in investment income of £0.5 million. Expenditure was slightly lower than last year at £5.2 million (2022 £5.4 million). Investments recovered from last year and had a gain in valuation of £1.6 million (2022 loss £(4.6) million). The overall funds of the Central Diocese increased to £25.0 million (2021 £24.2 million) with £2.7 million in unrestricted funds excluding designated reserves. Tangible assets accounted for £13.3 million of Central Diocese funds, up from £11.5 million in the prior year.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### **Schools**

Sacred Heart Preparatory School in Wadhurst and three Parish pre-schools operated within the Diocesan Trust and their results are reflected in these accounts. Pre-schools operate in the parishes of Chichester, Crawley and Haywards Heath. Total unrestricted funds for the year were positive £0.3 million (2022 £0.1 million). Tangible assets account for £1.4 million (2022 £1.5 million).

#### **Risk Assessment and Risk Management**

During 2023 the Diocesan Trustees continued their oversight of the major risks to which the Trust is exposed. The measures that have been put in place by Trustees and through the work of the Bishop and Episcopal Council maintain a careful watch on areas of risk.

The Safeguarding team continues training and monitoring activities to address the risk of safeguarding failures in relation to children and vulnerable adults. Their work is overseen by Trustees through the Safeguarding sub-committee. Health and Safety risks are overseen by a Health and Safety sub-committee. A cloud-based Health and Safety system is in use, allowing monitoring and support of parish compliance in this area.

The Trustees have focused particular attention on the key strategic risks facing the Diocese. Challenges around clergy numbers and the average age of priests are significant. The Bishop and Trustees recognise the increasing burden on priests and deans and have ensured that clergy support and wellbeing is a developing focus. The Bishop is engaging with deaneries to discuss greater collaboration across parish boundaries and the importance of the full participation of lay people as we move forward with the number of priests serving our parishes reducing. The Pastoral Plan, discussed below, addresses these key pastoral risks, and outlines developments which are expected to strengthen the life of the Church and the Charity in the coming years. The Communication and Formation teams are key in addressing risks around stakeholder engagement and the impact of secular culture. The Education and Safeguarding teams report their management of risk quarterly to Trustees.

#### **Investment Policy and Performance**

The Trust deed authorises the Trustees to make and hold investments using the general funds of the Diocese. The investment objective is that the real value of the Trust's assets should be maintained and enhanced over the long term to service the needs of the Trust. The overall risk is assessed to be medium, when viewed with the property and cash assets of the Trust.

The investment managers (Berenberg) manage the day to day management of the various Trust funds on a discretionary basis in line with the Diocesan Statement of Investment Principles (SIP). The SIP outlines the features of the Trust's two investment portfolios, the Multi Asset Investment Fund 1 (MAIF 1) and the Multi Asset Investment Fund 2 (MAIF 2). These differ in risk profile, with the first MAIF taking a medium/high approach to risk, balancing income and capital growth. MAIF 2 takes a low/medium approach to risk, with a focus on capital preservation. Target investment returns have been set at CPI+ 3.0% per annum for MAIF 1 and CPI+ 1.5% per annum for MAIF 2.

The ethical policy expressed in the SIP stipulates that investments will not be purchased in companies where arms, tobacco, pornography or gambling make up more than 5% of turnover or where contraception makes up more than 10% of turnover. This restriction ensures that the Diocese will not be invested in companies dedicated to these products and services but allows investment in sectors such as retail, where a low

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2023

percentage of trading may relate to these items. The SIP requires that no investments can be held in companies that perform abortion services or conduct research using foetal matter, and that the investment managers will only invest in companies with responsible lending policies. The ethical investment policy outlined in the SIP precludes holdings in companies engaged with the extraction or refining of Fossil Fuels.

The investment objectives for the connected Trusts are the same as those for the Diocese, with some invested according to the MAIF 1 strategy and others reflecting the low/medium risk profile of MAIF 2.

During the year an investment gain of £2.5 million arose (2022 loss £(7.4) million). This performance reflected recovering market conditions.

#### **Reserves Policy**

The reserves held after making allowance for any restricted funds, and the amount of designations, commitments (not provided for as a liability in the accounts) or the carrying amount of functional assets totalled £2.9 million. Although capable of utilisation across the relevant entities, these reserves were held as to £0.2 million by the Schools and £2.7 million by the Central Diocese.

The total reserves are £97.2 million, of which £12.8 million relate to the connected Trusts.

Restricted funds total £9.5 million (Diocese £1.9 million and Parish and connected Trusts £7.6 million), particulars of which are set out in Notes 18 and 19 to the accounts. Permanent Endowment funds total £11.1 million (Diocese £0.8 million and connected Trusts £10.3 million), with particulars also set out in Notes 18 and 19 to the accounts.

Designated funds, wholly held by the Diocese, are £73.5 million and comprise the general unrestricted funds of the individual Parishes, £52.4 million and other designated funds totalling £21.1 million, of which the most substantial is the fixed asset fund of £12.4 million, followed by the retired priests' fund of £3.6 million.

In Canon Law the Parishes have the right to acquire, retain, administer and alienate temporal goods. While the unrestricted funds of the individual Parishes could therefore be regarded as restricted at the Diocesan level, this might not be consistent with the civil law status of the Diocese as a single entity. In order to respect the special nature of these funds, the Trustees have designated these funds as relating to the individual Parishes from which they are derived.

The funds held by each of the 66 Parishes need to be held in order to provide working funds, to meet future expenditure (particularly on property maintenance) that will not be met by future income and, in some cases, to accumulate funds for a building programme. The properties held by Parishes comprise the Parish church or churches and, in most cases, a hall and presbytery. The maintenance costs of these properties can be substantial and frequently unpredictable. Excluding tangible fixed assets, the average amount of unrestricted funds held by Parishes is £166k (2022 £157k). The actual amounts held vary significantly above and below this average, but Parishes with funds surplus to immediate foreseeable requirements are able to provide support to Parishes in need of assistance, usually through the Diocese.

The unrestricted funds of the Trust are also utilised to provide land and buildings for both Central Diocese and the Schools. These funds are held in designated Fixed Asset funds of £12.4 million and £1.5 million respectively.

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2023**

As stated in note 21, the Trustees consider that there is a constructive obligation to support priests in their retirement, but the provision required cannot be measured with sufficient reliability. The Trustees consider, however, that it is necessary to designate funds based on their best estimate of the possible future requirement. The designated fund for retired priests (£3.5 million at the year-end) is intended to provide (i) a fund to meet the cost of support of already retired priests and (ii) a fund that, with future transfers to the fund, will meet the cost of support in retirement for all currently serving priests, in both cases allowing for future inflation and interest. With further replenishment, the fund is projected to be expended over the lifespan of currently serving and retired priests.

The fund designated for Ecclesiastical Education is largely derived from donations from Parishes for the express purpose of ecclesiastical education. As these are intra-Trust donations they cannot be treated as restricted but, in order to respect the special nature of these funds, the Trustees have designated them accordingly. The fund was £0.7 million at year-end and is adequate, at present levels of expenditure, to cover the relevant costs for approximately five years.

The total of funds that can be realised only by disposing of tangible fixed assets is £56.2 million. These amounts are reflected in restricted, endowment and designated funds (i) as part of the overall funds of Parishes that are designated at Diocesan level and (ii) by a designated fund of the Central Diocese.

The parish pre-schools reserves are not wholly adequate to ensure their ongoing financial stability, and the three parishes that continue to run pre-schools underwrite their liabilities with parish reserves. The reserves at Sacred Heart School are able to support ongoing activities. Where substantial property projects require bank overdrafts approval can be given for this by the Diocesan Finance Committee, with a repayment schedule agreed.

The net costs of the Central Diocese are met in part by levies on parishes. Reserves are required to meet shortfalls in the income needed to meet current levels of expenditure. They are also needed to provide funding, by way of loans and/or grants to parishes and schools, principally for building and other development projects.

The Trustees have not determined a fixed amount of general reserves that are needed but consider that the reserves need to be maintained at least at the present level in order to meet possible shortfalls in income. An increase in reserves is necessary in order to be able to respond to requests from schools and Parishes for building and development funding, which is at present constrained by the level of reserves.

#### **FUTURE PLANS**

During the autumn of 2023, the third iteration of the Diocesan Pastoral Plan was published: 'The Word Who is Life – the call to mission.' This is an important document for the Diocese, since it underpins a time of significant change for the ways in which parishes will be structured, enabling communities and the clergy who serve in them to work together more closely to their strengths for the benefit of the mission of the Diocese. In December 2023, the Bishop presented the plan to the clergy of the Diocese. It was well-received, with clergy recognising the need for change and supporting the aim that the groups of churches that currently form eleven deaneries will become eleven parishes over a period of eighteen months. The plan quite deliberately enables a degree of local variation. The changes that will be brought about will strengthen the life of the Church and the Charity in the coming years. Significant work will continue in 2024 and 2025 to ensure the development and embedding of the Pastoral Plan throughout the Diocese.

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2023**

The Charity's support for the younger members of the community continues, with the 'Ascent' three-year programme continuing and 'Faith in Action' – a programme that leads to an award for children in primary school and in the first years of secondary school being coordinated and supported by the Diocesan Youth Advisor.

The Diocesan Pilgrimage to Lourdes has now developed a new group for older teenagers and this has proved very effective in engaging them with the work of the pilgrimage and equipping those who have taken part for further responsibility in the future. The summer of 2024 will see a celebration of the 50th Anniversary of the diocesan Lourdes Pilgrimage, and the 20th Anniversary of the Redshirts youth programme, both of which have helped so many people encounter God's love through witnessing the pilgrimage vision of 'Love in Action'. More than 800 people are expected to travel on the 2024 pilgrimage.

Plans are being developed to celebrate the 60<sup>th</sup> Anniversary of the Diocese in 2025, as well as to mark the year of Jubilee, with the theme of 'Pilgrims of Hope'. The five-year online Mission "Invited" is continuing in the current year and building towards the 60th Anniversary of the Diocese in 2025.

The Catholic Education Trusts in Surrey and Sussex will continue to develop, with over half of diocesan maintained schools becoming academies by the end of 2024.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The fixed assets and investments of the charity are vested in a Trust corporation as nominee for the charity with the Diocesan Trustees as the managing Trustees. There are eleven managing Trustees. The Trust Corporation is the Arundel & Brighton Roman Catholic Diocesan Corporation Limited incorporated on 20th January 1969. The Corporation is registered under the Companies Acts (No. 0946255) as limited by guarantee and not having share capital; the Diocesan Trustees are its members and directors.

The Diocese is working with the Charity Commission with the aim of appointing the Corporation as the Sole Corporate Trustee of the Diocese. Trustees will exercise their oversight of the Charity in their continuing roles as Directors of the Corporation.

#### **Trustees**

The Bishop is empowered to appoint and remove all Trustees. The Trustee body comprises four clergy, one religious, and six laity of the faithful. The clergy Trustees are appointed for their expertise in parochial, spiritual and pastoral matters. Lay Trustees are selected for specialisms in business, education and pastoral work. Further lay Trustees would be chosen to match any perceived skill requirement and would be recruited on the recommendation of, inter alia, Trustees, the Finance Committee and Parish priests. New Trustees are supported to understand the constitution, governance and operation of the Trust, and are encouraged to visit the central departments as well as being familiar with the work of Parishes. All decisions affecting the Trusts are made by the board of Trustees. The board has established various committees to advise it on aspects of the Trust's activities.

Trustees receive training in charity governance and receive updates relating to the Charity Commission periodically.

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustees are supported by a number of subcommittees. Membership and leadership of these committees is directed by the Bishop.

#### **Finance Committee**

The committee comprises two Trustees and two others who have expertise in financial, property and management matters. The committee meets at a minimum quarterly during the year. The role of the committee is advisory to the Trustees on financial governance and asset management. The committee also acts as the Trustees' audit committee.

#### **Education Committee**

The Education Committee provides a vehicle for collective planning, advice and decision-making in conjunction with the Diocesan Education Service and in relation to diocesan schools and academies.

The membership reflects a broad range of interests, including those of Headteachers in academies, maintained and independent schools, Governors and Clergy, alongside the Diocesan Bishop, a Trustee and Diocesan staff within and beyond the Education Service. Members advise on and monitor the setting and operation of a range of policies and guidelines for diocesan schools and academies. (Examples may include areas such as admissions; religious education and worship; Section 48 inspection framework; criteria for diocesan building priorities, etc).

Where appropriate, the committee will make strategic decisions on the basis of advice from diocesan officers and the outcomes of consultation. Occasionally, recommendations and/or proposed decisions taken by the Education Committee will be subject to ratification by the Bishop and Trustees, for example if they relate to policies of the Bishops' Conference or are regulated in Canon Law.

The committee advises the Trustees on education policy issues and meets three times a year.

#### **Academies Partnership Committee**

The Academies Partnership Committee meets to support the two Catholic Education Trusts for our academies. It provides a vehicle for collective advice and recommendation in relation to the academies programme.

The Committee membership reflects an appropriate skill set and professional experience. It includes the Bishop, Headteachers in academies, maintained and/or independent schools, Foundation Governors and two Diocesan Trustees. It is attended and supported by diocesan staff within and beyond the Education Service.

Committee Members participate by virtue of their appointment, bringing to the role their own professional and lay experience and expertise. They are not representatives of a particular group.

When appropriate, Committee Members determine, advise on and/or monitor the setting and operation of a range of policies and guidelines relating to the diocesan academies programme. The Committee scrutinises applications from schools wishing to convert to academy status. Their recommendations to the Bishop are based on due diligence presented by the Catholic Education Trusts, the outcome of consultations undertaken, discussion with the CEO and Chair of the Trust Board and advice from diocesan officers. Recommendations and/or proposed decisions taken by the Committee will be subject to ratification by the Bishop and Trustees where they relate to the conversion of a school to academy status.

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

Some proposed decisions may require the express consent of the Bishop, for example if they relate to the policies of the Bishops' Conference or are regulated in Canon Law.

The committee meets a minimum of three times a year, but more often if required.

#### **Safeguarding Subcommittee of Trustees**

This purpose of this Subcommittee of Trustees is to support, assist and advise the Diocesan Trustees in discharging their duties in safeguarding, in accordance with the trustees legal and regulatory duties, Trust Deed, Canon Law of the Catholic Church, Charity Commission guidance, and operating within the standards, policies and procedures of the Catholic Safeguarding Standards Agency. The Subcommittee will make a regular report to be shared at each meeting of Trustees. In turn the Trustees will feed back comments (if appropriate), and, if required, will direct the Subcommittee to consider safeguarding matters where Trustees require additional information, explanations or guidance.

The Subcommittee is chaired by an independent safeguarding professional, with at least four further members, and two or more Trustees as members. After consulting with the Bishop of Arundel & Brighton the Chair will ensure that representatives from other agencies such as Police, Probation, Local Authority, Healthcare or others are invited as members to attend meetings. The Diocesan Clergy Safeguarding Lead and Judicial Vicar are in attendance as members of the subcommittee.

#### **Council of Priests and College of Consultors**

The Council of Priests assists the Bishop, in accordance with the prescriptions of Canon Law, as a consultative body relating to the governance of the Diocese and the pastoral welfare of both clergy and lay faithful.

The College of Consultors, whose members are drawn from the Council of Priests, has responsibilities enunciated in the Code of Law and has a particular role when the Diocese is without a Bishop.

#### **Episcopal Council**

This Vicar General and the three Episcopal Vicars form this Council, as a group of close advisors to the Bishop in the governance and pastoral provision of the Diocese. It meets monthly.

#### **Pastoral Commissions**

There are several committees advising the Trustees on the wide range of pastoral activities undertaken by the Trust. These committees meet between one and four times a year.

#### **Parishes**

The day to day administration of our Parishes is carried out by Parish clergy who are advised by their Parish finance committees. Significant matters are authorised by the Trustees, for example major property or capital expenditure.

The voluntary aided (maintained) schools and Academies of the Diocese are exempt charities that co-operate with the Trust in providing education in partnership with the UK Government.

#### **Remuneration Policy**

Annual pay changes are approved by the Trustees, and job roles and remuneration are reviewed periodically. Benchmarking against market rates is employed when new roles are created. Remuneration for key

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2023**

management roles is benchmarked against market rates when appointments are made and considered annually.

#### **Fundraising approach**

The Diocese does not engage in fundraising telephone or email campaigns. Funds are raised through collections at services and events, or through donations received via post, bank transfer or online giving. The Diocese is regulated by the Fundraising Regulator. No complaints about fundraising were received this year or during the prior year.

#### **Subsidiary Companies**

The Diocese has one wholly owned dependent company, Diocese of Arundel & Brighton (Building Services) Ltd. The company has not traded actively for a number of years and for the year ended 31 December 2023, the turnover of the company was £Nil (2022: £Nil) and there was a loss of £Nil, (2022: £Nil).

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### REPORT OF THE CHARITY TRUSTEES

#### FOR THE YEAR ENDED 31 DECEMBER 2023

#### STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the net movement in funds of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust deed dated 19th May 1967. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Diocesan Trustees on 10 July 2024 and signed as authorised on their behalf by:



The Right Reverend Richard Moth  
Bishop of Arundel & Brighton  
Chairman of Diocesan Trustees

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **Opinion**

We have audited the financial statements of Arundel and Brighton Diocesan Trust for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's Responsibilities for the audit of the financial statements**

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

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

*Moore Kingston Smith LLP*

29 August 2024

Statutory auditor

6<sup>th</sup> Floor  
9 Appold Street  
London  
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

ARUNDELAND BRIGHTON DIOCESAN TRUST  
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

Note	Parishes		Central Diocese		Schools		Total £'000	2022 Total £'000
	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000		
<b>INCOME AND ENDOWMENTS FROM</b>								
<b>Donations and legacies</b>								
2	7,900	1,332	204	164	8	-	9,608	12,074
	(456)	680	119	-	-	-	343	2,484
3	85	65	55	6	233	-	444	320
<b>Charitable Activities</b>								
4	192	-	38	-	-	-	230	227
5	62	-	-	-	-	-	1,694	1,697
6	2,223	-	696	-	17	-	2,936	2,497
7	229	176	743	4	-	-	1,152	405
	679	-	36	-	-	-	715	628
	10,914	2,253	1,891	174	1,890	-	17,122	20,332
<b>TOTAL</b>								
<b>EXPENDITURE ON</b>								
<b>Raising funds</b>								
8	115	-	218	-	-	-	333	177
<b>Charitable activities</b>								
8	9,912	1,189	4,806	160	-	-	16,083	16,120
8	-	-	-	-	1,723	-	1,723	1,756
	10,027	1,189	5,024	160	1,723	-	18,139	18,053
<b>TOTAL</b>								
<b>Net gains/(losses) on investments</b>								
	470	82	1,531	71	-	-	2,570	(7,368)
	1,357	1,146	(1,602)	85	167	-	1,553	(5,089)
<b>NET INCOME</b>								
<b>TRANSFERS BETWEEN FUNDS</b>								
	(2,277)	-	2,277	-	-	-	-	-
	60	(43)	-	-	-	-	-	-
	(2,217)	(43)	2,277	-	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>								
	(860)	1,103	675	85	167	-	1,553	(5,089)
<b>RECONCILIATION OF FUNDS</b>								
	53,275	6,460	21,686	1,768	1,543	52	95,598	100,687
<b>FUNDS CARRIED FORWARD</b>								
	52,415	7,563	22,361	1,853	1,710	52	97,451	95,598

Note	Parishes		Endowment		Total		Central Diocese		Schools		Total		2021 Total £'000	
	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000		
<b>INCOME AND ENDOWMENTS FROM</b>														
	<b>Donations and legacies</b>													
2	8,200	947	-	-	9,147	-	2,914	-	13	-	13	-	12,074	8,181
	1,472	746	-	-	2,218	-	266	-	-	-	-	-	2,484	1,485
3	59	1	-	-	60	-	51	-	209	-	209	-	320	797
<b>Charitable Activities</b>														
4	199	-	-	-	199	-	28	-	-	-	-	-	227	124
5	47	-	-	-	47	-	-	-	1,650	-	1,650	-	1,697	2,094
6	1,860	31	-	-	1,891	-	598	-	8	-	8	-	2,497	1,499
7	78	61	-	-	139	-	251	15	-	-	-	-	405	404
	407	-	-	-	407	-	221	-	-	-	-	-	628	2,742
	12,322	1,786	-	-	14,108	-	4,344	196	1,880	-	1,880	-	20,332	17,326
<b>TOTAL</b>														
<b>EXPENDITURE ON</b>														
<b>Raising funds</b>														
8	115	-	-	-	115	-	62	-	-	-	-	-	177	176
<b>Charitable activities</b>														
8	9,627	1,250	19	-	10,896	-	4,868	356	-	-	-	-	16,120	12,751
8	-	-	-	-	-	-	159	-	1,597	-	1,597	-	1,756	2,011
	9,742	1,250	19	-	11,011	-	5,089	356	1,597	-	1,597	-	18,053	14,938
	(1,312)	(206)	(1,252)	(110)	(2,770)	(110)	(4,254)	(234)	-	-	-	-	(7,368)	1,116
	1,268	330	(1,271)	(110)	327	(110)	(5,195)	(394)	283	-	283	-	(5,089)	3,504
<b>NET INCOME</b>														
<b>TRANSFERS BETWEEN FUNDS</b>														
	(2,226)	-	-	-	(2,226)	-	2,226	-	-	-	-	-	-	-
	72	(50)	(22)	-	-	-	-	-	-	-	-	-	-	-
	(2,154)	(50)	(22)	(2,226)	(2,226)	-	2,226	-	-	-	-	-	-	-
	(886)	280	(1,293)	(110)	(1,899)	(110)	(2,969)	(394)	283	-	283	-	(5,089)	3,504
<b>NET MOVEMENT IN FUNDS</b>														
<b>RECONCILIATION OF FUNDS</b>														
	54,161	6,180	11,341	876	71,682	876	24,655	2,162	1,260	52	1,312	52	100,687	97,183
<b>FUNDS CARRIED FORWARD</b>														
	53,275	6,460	10,048	766	69,783	766	21,686	1,768	1,543	52	1,595	52	95,598	100,687

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2023

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2022 £'000
<b>FIXED ASSETS</b>						
Tangible assets	13	41,456	13,310	1,503	<b>56,269</b>	54,460
Investments	14	13,803	19,695	-	<b>33,498</b>	30,744
		<u>55,259</u>	<u>33,005</u>	<u>1,503</u>	<u><b>89,767</b></u>	<u>85,204</u>
<b>CURRENT ASSETS</b>						
Debtors and prepayments	15	166	633	335	<b>1,134</b>	2,004
Cash at bank and on deposit		8,200	81	360	<b>8,641</b>	11,148
		<u>8,366</u>	<u>714</u>	<u>695</u>	<u><b>9,775</b></u>	<u>13,152</u>
<b>LESS LIABILITIES</b>						
Creditors - amounts falling due within one year	16	(709)	(1,246)	(436)	<b>(2,391)</b>	(2,758)
<b>PARISH LOAN ACCOUNTS</b>						
Due to Parishes		7,460	(7,460)	-	-	-
		<u>15,117</u>	<u>(7,992)</u>	<u>259</u>	<u><b>7,384</b></u>	<u>10,394</u>
<b>NET CURRENT ASSETS</b>						
		<u>70,376</u>	<u>25,013</u>	<u>1,762</u>	<u><b>97,151</b></u>	<u>95,598</u>
<b>TOTAL NET ASSETS</b>						
<b>FUNDS OF THE CHARITY</b>						
Unrestricted funds						
General funds	17/18		2,737	207	<b>2,944</b>	1,714
Designated funds	17/18	52,415	19,624	1,503	<b>73,542</b>	74,790
	17/18	<b>52,415</b>	<b>22,361</b>	<b>1,710</b>	<b>76,486</b>	76,504
Restricted funds	17/18	7,563	1,853	52	<b>9,468</b>	8,280
Permanent endowment	17/18	10,398	799		<b>11,197</b>	10,814
		<u>70,376</u>	<u>25,013</u>	<u>1,762</u>	<u><b>97,151</b></u>	<u>95,598</u>
<b>TOTAL CHARITY FUNDS</b>						

Approved by the Trustees on 10 July 2024 and signed as authorised on their behalf by:



The Right Reverend Richard Moth  
Bishop of Arundel and Brighton  
Chairman of Trustees

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2021 £'000
<b>FIXED ASSETS</b>						
Tangible assets	13	41,467	11,466	1,527	<b>54,460</b>	54,480
Investments	14	12,083	18,661	-	<b>30,744</b>	38,499
		<u>53,550</u>	<u>30,127</u>	<u>1,527</u>	<u><b>85,204</b></u>	<u>92,979</u>
<b>CURRENT ASSETS</b>						
Debtors and prepayments	15	507	1,481	16	<b>2,004</b>	1,836
Cash at bank and on deposit		9,457	1,539	152	<b>11,148</b>	9,200
		<u>9,964</u>	<u>3,020</u>	<u>168</u>	<u><b>13,152</b></u>	<u>11,036</u>
<b>LESS LIABILITIES</b>						
Creditors - amounts falling due within one year	16	(753)	(1,905)	(100)	<b>(2,758)</b>	(3,328)
<b>PARISH LOAN ACCOUNTS</b>						
Due to Parishes		7,022	(7,022)	-	-	-
<b>NET CURRENT ASSETS</b>		<u>16,233</u>	<u>(5,907)</u>	<u>68</u>	<u><b>10,394</b></u>	<u>7,708</u>
<b>TOTAL NET ASSETS</b>		<u>69,783</u>	<u>24,220</u>	<u>1,595</u>	<u><b>95,598</b></u>	<u>100,687</u>
<b>FUNDS OF THE CHARITY</b>						
Unrestricted funds						
General funds	17/18		1,685	29	<b>1,714</b>	6,663
Designated funds	17/18	53,275	20,001	1,514	<b>74,790</b>	73,413
	17/18	<b>53,275</b>	<b>21,686</b>	<b>1,543</b>	<b>76,504</b>	80,076
Restricted funds	17/18	6,460	1,768	52	<b>8,280</b>	8,394
Permanent endowment	17/18	10,048	766		<b>10,814</b>	12,217
<b>TOTAL CHARITY FUNDS</b>		<u>69,783</u>	<u>24,220</u>	<u>1,595</u>	<u><b>95,598</b></u>	<u>100,687</u>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	£'000	£'000
<b>Cash flows from operating activities:</b>		
<b>Net cash (used in) provided by operating activities (see below)</b>	(2,351)	597
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	1,152	405
Purchase of property, plant and equipment	(2,189)	(889)
Proceeds from sale of property, plant and equipment	1,065	1,449
Purchase of investments	(10,376)	(7,195)
Proceeds from sale of investments	10,192	7,581
<b>Net cash (used in) provided by investing activities</b>	(156)	1,351
<b>Net cash provided by financing activities</b>	-	-
Change in cash & cash equivalents in reporting period:	(2,507)	1,948
Cash & cash equivalents at beginning of reporting period:	11,148	9,200
<b>Cash &amp; cash equivalents at end of reporting period:</b>	<b>8,641</b>	<b>11,148</b>
<b>Reconciliation of net incoming resources to cash flow from operating activities</b>		
Net income/(expenditure) for reporting period (as in SOFA)	1,553	(5,089)
<b>Adjustments for:</b>		
Depreciation	30	89
(Surplus) or Deficit retained in Investment Portfolio	(2,570)	7,368
Dividends	(1,152)	(405)
Net (Gains) on Disposal of Fixed Assets	(715)	(628)
Decrease (Increase) in Debtors	870	(168)
(Decrease) in Creditors	(367)	(570)
<b>Net cash (used in) provided by operating activities</b>	<b>(2,351)</b>	<b>597</b>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)(including update bulletin 27 (Charities SORP FRS102)), and the financial Reporting Standard applicable in the UK and Republic of Ireland (FR102), the Charities Act 2011 and UK generally Accepted Practice

Arundel and Brighton Diocesan Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in sterling which is the financial currency of the entity. Monetary amounts are rounded to the nearest thousand pounds

##### 1.2 Preparation of the accounts on a going concern basis

Having considered future budgets and cash flows for a period of at least one year from the date of approval of the financial statements, the Trustees confirm that they have no material uncertainties about the entity's ability to continue as a going concern for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing the financial statements.

##### 1.3 Subsidiary company

All the turnover of the Diocese's wholly owned dependent company, the Diocese of Arundel & Brighton (Building Services) Limited, represents sales of building construction to the Diocese. The subsidiary did not trade during the year and has no material net assets or liabilities. There is no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary company. The charity and its subsidiary are not consolidated. The charity had another subsidiary, Arundel and Brighton Lourdes Pilgrimage Limited. In 2021, the assets and liabilities were transferred to the charity and it is the process of being dissolved.

##### 1.4 Income

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

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

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

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

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

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

#### **1.5 Expenditure**

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

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

Charitable activities are advancement of the Roman Catholic Faith and education.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the Board, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Support costs are certain Finance Office costs which cannot be directly apportioned and are allocated on the basis of Trustees' estimates of time spent on relevant functions. Irrecoverable VAT is included with the category of expense to which it relates.

Governance activities comprise organisational administration and compliance with constitutional and statutory requirements. Costs include direct costs of external audit, legal fees and other professional advice.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1.6 Tangible Fixed Assets

Buildings held for use by the charity are included in the financial statements at original cost, where known, or at an estimate of original cost where actual figures are unavailable (see note 13). All new functional buildings and major improvements are capitalised where the cost of construction is greater than £100,000. Certain school properties owned by the Diocese are occupied and run by independent charities in the form of voluntary aided (maintained) schools. There are significant legal restrictions on the disposal of these properties under education legislation. The Trustees consider their ownership to be in the nature of custodianship of the assets and these are therefore not capitalised in the financial statements. The estimated original costs of furniture, equipment and motor vehicles are included in the financial statements.

An impairment review of buildings is performed annually to confirm whether a charge for impairment should be recognised in the statement of Financial Activities. Parish and Central freehold buildings are maintained to a high standard and depreciation is not provided for, as in the trustees opinion, the residual value is equal to the carrying value in the Financial Statements

Depreciation is provided on Schools contents at a rate of 25% per annum on a reducing balance method.

Realised gains/(losses) on disposal of fixed assets for charity use are included in the Statement of Financial Activities as income/expenditure. Unrealised gains and losses on fixed assets for charity use are included in the Statement of Financial Activities under gains and losses on revaluations and investment asset disposals.

#### 1.7 Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

#### 1.8 Voluntary Aided (Maintained) Schools Building Programme

The Diocese administers some projects on behalf of the Governors of voluntary aided schools which are exempt charities. The financial responsibility remains with the Governors. The income and expenditure is conduit funding and as such is excluded from the Financial Statements of the Trust. Any contributions from the Diocese or its Parishes are recorded as grants to the Governors.

#### 1.9 Fund Accounting

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

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

For the purpose of the civil administration of the charity, Parishes are not distinct legal entities but branches forming part of the administrative machinery of the main Diocesan charity, albeit that they have a degree of independence (see page 8). Parish funds and assets, unless held under distinct and express special Trusts evidenced in law, will be part of the Diocesan charity and will be the responsibility of the Diocesan Trustees.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees may under normal legal principles delegate their management to Parish priests with limited authority. Such Parish funds are designated funds within the unrestricted funds.

In Canon Law the Parish is firmly set within the context of the Diocese C515(1) and the Parish priest exercises his ministry under the authority of the Bishop C519. A Parish erected in accordance with the law possesses public juridical personality by the law itself C515(3). In canon law the Parish has the right to acquire, retain, administer and alienate temporal goods C1255 which as ecclesiastical goods are subject to the norms of Canon Law C1257(1).

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

The capital of permanent endowment funds (see Notes 18 and 19) 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.

Income from commercial activities is included in the period that the charity is entitled to receipt.

#### **1.10 Collections for Third Parties**

Where the charity does not have any discretion in collection and distribution of donations, and has no entitlement to the donation, then these amounts are conduit funding. Amounts and balances relating to conduit funding are not included in the accounts and balances of the charity.

#### **1.11 Recognised gains or losses**

All recognised gains or losses for the year are derived from continuing activities and are included in the Statement of Financial Activities.

#### **1.12 Debtors**

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

#### **1.13 Cash at bank and in hand**

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

#### **1.14 Creditors and provisions**

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

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1.15 Estimation uncertainty

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

#### 1.16 Financial instruments

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

### 2. COLLECTIONS AND DONATIONS

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Parish offertory collections	6,821	6,449
Donations	1,439	4,464
Gift Aid tax recovered on collections and donations	1,348	1,161
	<hr/> 9,608	<hr/> 12,074

### 3. GRANTS

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Friends of Arundel Cathedral	55	51
Parishes various	150	60
Other	239	209
	<hr/> 444	<hr/> 320

### 4. ADVANCEMENT OF THE ROMAN CATHOLIC FAITH (INCOME)

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Publications and repository sales	151	142
Other including courses and events	79	85
	<hr/> 230	<hr/> 227

### 5. EDUCATION (INCOME)

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Independent preparatory school (Sacred Heart Wadhurst)	1,632	1,314
Parish preschools	62	383
	<hr/> 1,694	<hr/> 1,697

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**6. OTHER TRADING ACTIVITIES**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Fund raising events	535	438
Lettings and sundry income	2,401	2,059
	<hr/>	<hr/>
	2,936	2,497

**7. INVESTMENT INCOME**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Listed investments	650	372
Bank interest	502	33
	<hr/>	<hr/>
	1,152	405

**8. CHARITABLE ACTIVITIES (EXPENDITURE) 2023**

	Direct personnel	Direct other expenditure	Direct grants	Allocated support	2023 Total
	£'000	£'000	£'000	£'000	£'000
Fund raising	22	297	-	14	333
Advancement of Roman Catholic Faith	6,928	8,133	469	554	16,083
Education	1,544	38	12	129	1,723
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	8,494	8,468	481	696	18,139

**CHARITABLE ACTIVITIES (EXPENDITURE) 2022**

	Direct personnel	Direct other expenditure	Direct grants	Allocated support	2022 Total
	£'000	£'000	£'000	£'000	£'000
Fund raising	47	115	-	15	177
Advancement of Roman Catholic Faith	6,332	8,769	400	618	16,120
Education	1,499	98	28	131	1,756
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,878	8,982	428	765	18,053

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 9. CHARITABLE GRANTS

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Schools	12	28
Retired priests and housekeepers	13	40
UK Poor and sick	248	117
Overseas missions	53	89
Youth and pilgrimages	62	30
Ecumenical	16	26
Bishop's conference	13	10
Food Vouchers Scheme	-	21
Other	64	67
	<hr/> <b>481</b>	<hr/> <b>428</b>

#### 10. SUPPORT COSTS 2023

	Fund raising	Advancement of RC Faith	Education	Total	2022
	£'000	£'000	£'000	£'000	£'000
Governance	14	152	21	187	209
Finance Office	-	401	108	509	556
<b>TOTAL</b>	<hr/> <b>14</b>	<hr/> <b>554</b>	<hr/> <b>129</b>	<hr/> <b>696</b>	<hr/> <b>765</b>

#### SUPPORT COSTS 2022

	Fund raising	Advancement of RC Faith	Education	Total	2021
	£'000	£'000	£'000	£'000	£'000
Governance	15	170	23	209	193
Finance Office	-	448	108	556	523
<b>TOTAL</b>	<hr/> <b>15</b>	<hr/> <b>618</b>	<hr/> <b>131</b>	<hr/> <b>765</b>	<hr/> <b>716</b>

The Finance Office provides advice and help to Parishes, departments within Central Diocese and Schools. Services include accounting, banking, payroll, investment management, property, legal compliance, HR support and Health and Safety support. Costs have been allocated to activities based on the Trustees' estimate of staff time spent on these activities. Governance costs included fees paid to auditors as follows: audit fees: £54,000 (2022 £49,800), fees for other services £Nil (2022 £690).

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 11. STAFF INFORMATION

##### 11.1 Staff costs

	Parish £'000	Central Diocese £'000	Schools £'000	TOTAL £'000	2022 £'000
Employee Salaries	1,535	1,628	1,111	4,274	3,918
Social Security	71	153	84	308	293
Pension Costs	116	183	140	439	410
Total Employee Costs	1,722	1,964	1,335	5,021	4,621
Clergy & Religious Costs	1,757	425	-	2,182	2,024
Travel & Office Costs	598	484	209	1,291	1,233
<b>TOTAL</b>	<b>4,077</b>	<b>2,873</b>	<b>1,544</b>	<b>8,494</b>	<b>7,878</b>

Key management personnel received salary and pension contributions of £407k (2022 £415k). Included in the staff costs above were redundancy costs of £19k (2022 £19k).

##### 11.2 Pension payments

The Diocese operates two pension schemes, a closed scheme where it contributes 15% of gross salary to a group personal pension scheme for staff members in the Parishes and Central Diocese and the auto-enrolment scheme whereby the employer contributes 5% and the employee contributes 4%. The scheme is a defined contributions scheme for which the Diocese is neither liable to finance any funding shortfall nor entitled to benefit from any over-funding. There were contributions outstanding at the year-end of £32k (2022 £26k).

The Diocese participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £78k (2022 £73k) and the contributions outstanding at the year-end amounted to £6k (2022 £7k).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The previous actuarial valuation of the TPS confirmed an employer contribution rate for the TPS of 23.68% from September 2019.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2023

##### 11.3 Staff numbers

###### 11.3 Staff Numbers

	Parish	Central Diocese	Schools	TOTAL	2022
Clergy & Religious	87	3	-	90	100
Employees - average weekly numbers	169	57	63	289	275
	256	60	63	379	375

##### 11.4 Employee emoluments

	Parish	Central Diocese	Schools	TOTAL	2022
Between £60,001 and £70,000		1		1	1
Between £70,001 and £80,000					2
Between £80,001 and £90,000		1		1	1
Between £90,001 and £100,000		1		1	1
Between £100,001 and £110,000		1		1	
Between £110,001 and £120,000					1
Between £120,001 and £130,000		1		1	

## 12. TRUSTEES INFORMATION

The Trustees comprise four priests, one religious and six lay people as shown on page 2 of the Report. The priests receive income for their office together with living accommodation, living expenses and reimbursement of costs incurred on the same basis as other Diocesan priests. No Trustee receives any remuneration or benefits from his/her Trusteeship other than cover under the indemnity insurance purchased by the charity. No Trustee fees or expenses were paid in 2023 (2022 £Nil).

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 13. TANGIBLE FIXED ASSETS

	2023			2022	2021
	Freehold	Contents	Total	Total	Total
	£'000	£'000	£'000	£'000	£'000
<b>COST OR VALUATION</b>					
At 1 January	71,644	227	71,871	71,858	74,191
Additions	2,183	6	2,189	889	1,279
Disposals	(367)	-	(367)	(876)	(3,612)
At 31 December	73,460	233	73,693	71,871	71,858
<b>DEPRECIATION</b>					
At 1 January	17,208	203	17,411	17,378	17,923
Charge for year	-	30	30	89	119
Disposals	(17)	-	(17)	(55)	(664)
At 31 December	17,191	233	17,424	17,411	17,378
<b>NET BOOK VALUE</b>					
At 31 December 2023	56,269	-	56,269	54,460	54,480
At 1 January 2023	54,436	24	54,460	54,480	56,268

The Diocese has 38 maintained (voluntary aided) schools constituted as separate charities. Two Multi-Academy Trusts have been established as separate companies. A total of 26 Academies have joined the Trusts. The school properties (land and buildings) are vested in the Diocesan Trustees. Their value is estimated at £800 million. 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 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 consider that, for the purposes of these Financial Statements, the nature of their ownership is that of a custodianship and therefore these properties have not been capitalised. The Diocese leases land and buildings at two of these schools from Religious Orders. A further school is a joint Anglican/Roman Catholic foundation. The Diocesan Directory lists all 64 maintained schools and Academies owned, leased or jointly administered by the Diocese. Apart from a small proportion used for management and administration, all fixed assets are used in direct furtherance of the charity's objects. Assets of Trusts are consolidated with the Diocesan accounts under Charity Commission uniting directions. St Joseph's Specialist School and College in Cranleigh is held by a separate charity.

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**14. INVESTMENTS**

	<b>2023</b>	2022
	<b>£'000</b>	£'000
Listed Investments	32,079	27,671
Cash Deposits	1,419	3,073
<b>TOTAL INVESTMENTS</b>	<b>33,498</b>	<b>30,744</b>

**Summary of investments**

	<b>2023</b>	2022
	<b>£'000</b>	£'000
OPENING VALUATION 1 Jan 2023	30,744	38,499
Acquisitions at Cost	10,376	7,195
Proceeds of Sales less fund management fees	(10,192)	(7,581)
Gains/(Losses) during the year	2,570	(7,369)
<b>CLOSING VALUATION 31 Dec 2023</b>	<b>33,498</b>	<b>30,744</b>

**15. DEBTORS**

	<b>2023</b>	2022
	<b>£'000</b>	£'000
Advances to schools (£203k due after one year)	329	442
Inter Diocese Balances	140	239
Other Debtors and Prepayments	665	1,323
	<b>1,134</b>	<b>2,004</b>

**16. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2023</b>	2022
	<b>£'000</b>	£'000
Parish Collections, Supplies and Accruals	759	508
Fees Paid in Advance	436	100
Inter Diocese Balances	140	239
Other Creditors	433	734
Government capital funding for allocation to schools	623	1,177
	<b>2,391</b>	<b>2,758</b>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 17. FUNDS NET ASSET ANALYSIS 2023

	Tangible assets £'000	Investments £'000	Net current assets £'000	2023 £'000
<b>UNRESTRICTED</b>				
Parishes	34,640	7,363	10,411	52,414
Central Diocese	12,778	18,207	(8,624)	22,361
Schools	1,503	-	207	1,710
	48,921	25,570	1,994	76,485
<b>RESTRICTED</b>				
Parishes	1,926	1,041	4,621	7,588
Central Diocese	211	1,010	632	1,853
Schools		-	52	52
	2,137	2,051	5,305	9,493
<b>ENDOWMENT</b>				
Parishes	4,890	5,399	85	10,374
Central Diocese	321	478	-	799
	5,211	5,877	85	11,173
<b>TOTAL FUNDS</b>	56,269	33,498	7,384	97,151

#### FUNDS NET ASSET ANALYSIS 2022

	Tangible assets £'000	Investments £'000	Net current assets £'000	2022 £'000
<b>UNRESTRICTED</b>				
Parishes	34,651	6,044	12,580	53,275
Central Diocese	10,934	17,278	(6,526)	21,686
Schools	1,527	-	16	1,543
	47,112	23,322	6,070	76,504
<b>RESTRICTED</b>				
Parishes	1,926	979	3,555	6,460
Central Diocese	211	939	618	1,768
Schools		-	52	52
	2,137	1,918	4,225	8,280
<b>ENDOWMENT</b>				
Parishes	4,890	5,060	98	10,048
Central Diocese	321	444	1	766
	5,211	5,504	99	10,814
<b>TOTAL FUNDS</b>	54,460	30,744	10,394	95,598

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 18. FUNDS ANALYSIS 2023

		Opening balance £000s	Income £000s	Expenditure £000s	Investment gains / (losses) £000s	Transfers £000s	Closing balance £000s
<b>UNRESTRICTED GENERAL FUNDS</b>							
Parishes (see note)							
Central		1,685	1,610	(4,177)	1,531	2,088	2,737
Schools		29	1,890	(1,712)	-	-	207
		1,714	3,500	(5,889)	1,531	2,088	2,944
<b>UNRESTRICTED DESIGNATED FUNDS</b>							
Parishes (see note)							
Central		53,275	10,914	(10,027)	470	(2,217)	52,415
	Retired priests	3,797	126	(499)	-	151	3,575
	Ecclesiastical education	727	2	(153)	-	151	727
	Clergy formation	1,500	153	-	-	-	1,653
	Mission fund	1,170	-	(195)	-	-	975
	Fixed Assets	12,364	-	-	-	-	12,364
	Advances	442	-	-	-	(113)	329
Schools	Fixed Assets	1,514	-	(11)	-	-	1,503
		74,790	11,195	(10,885)	470	(2,028)	73,542
		76,504	14,695	(16,774)	2,001	60	76,486
<b>TOTAL UNRESTRICTED FUNDS</b>							
<b>RESTRICTED FUNDS</b>							
Parishes							
	Parishes within Diocesan Trust	3,579	2,154	(1,158)	30	-	4,605
	Trusts connected with Parishes	2,330	8	(5)	31	-	2,364
	Endowment trusts restricted income	551	91	(26)	21	(43)	594
		6,460	2,253	(1,189)	82	(43)	7,563
Central							
	Poor	422	-	(56)	35	-	401
	Lourdes Pilgrimage	610	56	(104)	-	-	562
	Foundation Masses	506	4	-	36	-	546
	UBS Chaplaincies	(21)	100	-	-	-	79
	Others	40	14	-	-	-	54
	Trusts connected with Central	211	-	-	-	-	211
		1,768	174	(160)	71	-	1,853
Schools							
	Catholic Education promotion	52	-	-	-	-	52
		8,280	2,427	(1,349)	153	(43)	9,468
<b>TOTAL RESTRICTED FUNDS</b>							
<b>ENDOWMENT FUNDS</b>							
Parishes							
	Parishes within Diocesan Trust	959	-	-	74	-	1,033
	Trusts connected with Parishes	9,089	-	(16)	309	(17)	9,365
		10,048	-	(16)	383	(17)	10,398
Central							
	Episcopal administration	313	-	-	33	-	346
	Ecclesiastical education	131	-	-	-	-	131
	Trusts connected with Central	322	-	-	-	-	322
		766	-	-	33	-	799
<b>TOTAL ENDOWMENT FUNDS</b>							
		10,814	-	(16)	416	(17)	11,197
<b>TOTAL ALL FUNDS</b>							
		95,598	17,122	(18,139)	2,570	-	97,151

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2023

##### Unrestricted designated funds

The Trustees have set aside designated funds out of unrestricted funds to ensure that certain activities or responsibilities of the Trust are adequately financed. The following are continuous funds designated for long-term use:

- Parishes - in Canon Law each parish has a distinct legal personality and is administered by the parish priest under the authority of the Bishop. In Canon Law a parish can acquire and dispose of assets in its own right. The Trustees regard parish unrestricted funds as designated funds. Parishes transferred £2.3 million to the Central Diocese to support Central activities.
- Retired Priests - to support priests in retirement with accommodation and nursing needs.
- Ecclesiastical Education - for the education of students to the priesthood and continuing formation.
- Fixed Assets – for the provision of land and buildings for use in the activities of the Diocese. A separate fund is designated for fixed assets used by Schools.
- Advances – to provide long-term loans to schools to finance development programmes.
- Clergy Formation - clergy formation (including ongoing formation) and the fostering of vocations
- Diocesan Mission Fund - projects that support the implementation of the Pastoral Plan, with its emphasis on lay formation and evangelisation.

##### Restricted funds

In the Parishes these mainly relate to funds raised for specific parish building projects.

In the Central Diocese funds are restricted for the following purposes:

- Poor - Aid to poor religious orders and laity
- Foundation Masses - Clergy stipends for Masses celebrated on the anniversary of the deceased
- Universities of Brighton & Sussex Chaplaincies - created from donations from Trust to maintain Chaplaincy building and facilities
- Lourdes Pilgrimage – for promoting and organising pilgrimages to Lourdes

##### Permanent endowment funds

Eight parishes have connected permanent endowment trusts for their support. See note 19. The Trustees have adopted a Total Return approach to the permanent endowment investments belonging to these trusts as follows:

##### Bedingfeld Duncton

The brought forward value of investments at 1 Jan 2023 was £216k, comprising capital of £156k and unapplied total return of £60k. At the year end the investments were valued at £231k comprising capital of £156k and unapplied total return of £75k.

##### Biddulph Education Duncton

The brought forward value of investments at 1 Jan 2023 was £568k, comprising capital of £347k and unapplied total return of £221k. At the year end the investments were valued at £611k comprising capital of £347k and unapplied total return of £264k.

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2023

##### **Hope Herons Ghyll**

The brought forward value of investments at 1 Jan 2023 was £331k comprising capital of £280k and unapplied total return of £51k. At the year end the investments were valued at £354k comprising capital of £280k and unapplied total return of £74k. The trust also holds permanent endowment land at a book value of £2k. The total value of the permanent endowment fund carried forward was £356k.

##### **Scawen Blunt Crawley**

The brought forward value of investments at 1 Jan 2023 was £2,309k, comprising capital of £775k and unapplied total return of £1,534k. During the year £24k of the unapplied total return was allocated to the income fund and withdrawn for charitable purposes. At the year end the investments were valued at £2,454k comprising capital of £775k and unapplied total return of £1,679k. The trust also holds permanent endowment land at book value of £1,153k and cash £103k. The total value of the permanent endowment fund carried forward was £3,710k.

##### **Leslie Slindon**

The brought forward value of investments at 1 Jan 2023 was £334k comprising capital of £85k and unapplied total return of £249k. At the year end the investments were valued at £358k comprising capital of £84k and unapplied total return of £273k. The trust also holds permanent endowment land at a book value of £161k. The total value of the permanent endowment fund carried forward was £519k.

##### **Norfolk 1901 Littlehampton**

The brought forward value of investments at 1 Jan 2023 was £263k, comprising capital of £129k and unapplied total return of £134k. At the year end the investments were valued at £278k comprising capital of £129k and unapplied total return of £149k.

##### **Norfolk Cemetery Arundel**

The brought forward value of investments at 1 Jan 2023 was £67k, comprising capital of £39k and unapplied total return of £28k. At the year end the investments were valued at £71k comprising capital of £39k and unapplied total return of £32k. The trust also holds permanent endowment land at a book value of £803k. The total value of the permanent endowment fund carried forward was £874k.

##### **Norfolk Cemetery Houghton**

The brought forward value of permanent endowment investments at 1 Jan 2023 was £4k, comprising capital of £2k and unapplied total return of £2k. At the year end the investments were valued at £4k comprising capital of £2k and unapplied total return of £2k.

In the Central Diocese permanent endowment trusts exist for Episcopal Administration – the support of the Bishop's establishment and office and Ecclesiastical Education – the training of students to the priesthood. The Buckley Trust provides support for retired priests.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 18. FUNDS ANALYSIS 2022

		Opening balance £000s	Income £000s	Expenditure £000s	Investment gains / (losses) £000s	Transfers £000s	Closing balance £000s
<b>UNRESTRICTED GENERAL FUNDS</b>							
Parishes (see note)							
Central		7,006	1,175	(4,602)	(4,254)	2,360	1,685
Schools		(343)	1,880	(1,508)	-	-	29
		6,663	3,055	(6,110)	(4,254)	2,360	1,714
<b>UNRESTRICTED DESIGNATED FUNDS</b>							
Parishes (see note)							
Central		54,161	12,322	(9,742)	(1,312)	(2,154)	53,275
	Retired priests	4,043	151	(397)	-	-	3,797
	Ecclesiastical education	666	151	(90)	-	-	727
	Clergy formation	-	1,500	-	-	-	1,500
	Mission fund	-	1,170	-	-	-	1,170
	Fixed Assets	12,364	-	-	-	-	12,364
	Advances	576	-	-	-	(134)	442
Schools	Fixed Assets	1,603	-	(89)	-	-	1,514
		73,413	15,295	(10,229)	(1,312)	(2,288)	74,790
		80,076	18,350	(16,339)	(5,566)	72	76,504
<b>TOTAL UNRESTRICTED FUNDS</b>							
<b>RESTRICTED FUNDS</b>							
Parishes							
	Parishes within Diocesan Trust	3,117	1,724	(1,222)	(40)	-	3,579
	Trusts connected with Parishes	2,434	5	(5)	(104)	-	2,330
	Endowment trusts restricted income	629	57	(23)	(62)	(50)	551
		6,180	1,786	(1,250)	(206)	(50)	6,460
Central							
	Poor	567	-	(32)	(113)	-	422
	Lourdes Pilgrimage	622	134	(146)	-	-	610
	Foundation Masses	612	15	-	(121)	-	506
	UBS Chaplaincies	116	35	(172)	-	-	(21)
	Others	34	12	(6)	-	-	40
	Trusts connected with Central	211	-	-	-	-	211
		2,162	196	(356)	(234)	-	1,768
Schools							
	Catholic Education promotion	52	-	-	-	-	52
		8,394	1,982	(1,606)	(440)	(50)	8,280
<b>TOTAL RESTRICTED FUNDS</b>							
<b>ENDOWMENT FUNDS</b>							
Parishes							
	Parishes within Diocesan Trust	1,181	-	-	(222)	-	959
	Trusts connected with Parishes	10,160	-	(19)	(1,030)	(22)	9,089
		11,341	-	(19)	(1,252)	(22)	10,048
Central							
	Episcopal administration	423	-	-	(110)	-	313
	Ecclesiastical education	131	-	-	-	-	131
	Trusts connected with Central	322	-	-	-	-	322
		876	-	-	(110)	-	766
<b>TOTAL ENDOWMENT FUNDS</b>							
		12,217	-	(19)	(1,362)	(22)	10,814
<b>TOTAL ALL FUNDS</b>							
		100,687	20,332	(17,964)	(7,368)	-	95,598

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 19. CONNECTED TRUSTS

Trust	Beneficiary	Nature	Opening balance £'000	Income £'000	Expenditure £'000	Investment gains / (losses) £'000	Transfers £'000	Closing balance 2023 £'000
<b>RESTRICTED</b>								
Ashburnham	Battle	Land and investments	648	8	(5)	31	-	682
Elmer	Retired priests	Land	211					211
Gaisford	Worthing	Land	10					10
Grant	St Leonard's	Land	135					135
Hyland	Godalming	Land	58					58
Munster	Keymer	Land	39					39
Norfolk	Dorking	Land	2					2
Norfolk	Horsham	Land	934					934
Salvin	Sutton Park	Land	246					246
Stacpole	Caterham	Land	258					258
			<b>2,541</b>	<b>8</b>	<b>(5)</b>	<b>31</b>	<b>-</b>	<b>2,575</b>
<b>PERMANENT ENDOWMENT RESTRICTED INCOME</b>								
Bedingfeld	Duncton	Investments	26	4	(3)			27
Biddulph Education	Duncton	Investments	44	11	(8)			47
Buckley	Retired priests	Land and investments	-					-
Cemetery	Burwash	Land and investments	-					-
Hope	Hérons Ghyll	Land and investments	38	6				44
Lang	Oxted	Land and investments	-					-
Leslie	Slindon	Land and investments	5	13	(13)			5
Norfolk	Angmering	Land and investments	401	8	(2)	21		428
Norfolk 1901	Littlehampton	Investments	10	6				16
Norfolk Cemetery	Arundel	Land and investments	-					-
Norfolk Cemetery	Houghton	Land and investments	27					27
Scawen Blunt	Crawley	Land and investments	-	43			(43)	-
			<b>551</b>	<b>91</b>	<b>(26)</b>	<b>21</b>	<b>(43)</b>	<b>594</b>
<b>PERMANENT ENDOWMENT</b>								
Bedingfeld	Duncton	Investments	216		(1)	16		231
Biddulph	Duncton	Land	1					1
Biddulph Education	Duncton	Investments	568			43		611
Buckley	Retired priests	Land	322					322
Cemetery	Burwash	Land and investments	6					6
Hope	Hérons Ghyll	Land and investments	333		(2)	25		356
Lang	Oxted	Land and investments	1,161					1,161
Leslie	Slindon	Land and investments	495		(2)	26		519
Norfolk	Arundel	Land	799					799
Norfolk	Littlehampton	Land	168					168
Norfolk 1901	Littlehampton	Investments	263			15		278
Norfolk Cemetery	Arundel	Land and investments	870			4		874
Norfolk Cemetery	Houghton	Land and investments	4					4
Pauling	Effingham	Land	647					647
Scawen Blunt	Crawley	Land and investments	3,558		(11)	180	(17)	3,710
			<b>9,411</b>	<b>-</b>	<b>(16)</b>	<b>309</b>	<b>(17)</b>	<b>9,687</b>
<b>TOTAL CONNECTED TRUSTS</b>			<b>12,503</b>	<b>99</b>	<b>(47)</b>	<b>361</b>	<b>(60)</b>	<b>12,856</b>

In addition, the following trusts comprise land holdings only for schools and/or cemeteries:

St Joseph's primary school trust in Haywards Heath

Fairlight cemetery trust near Hastings (permanent endowment)

Marist primary school trust in West Byfleet

Education trust for Diocese

Norfolk trust for school and cemetery in Angmering

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 20. COMMITMENTS GUARANTEES AND CONTINGENCIES

**Capital Commitments:** At 31 December 2023 there were no capital commitments on Parish properties, maintained or independent schools (2022 Nil).

**Contingent Liability:** The Diocese provides support to its retired priests, in line with established Diocesan practice and in accordance with Canon Law requirements. In the opinion of the Trustees, this constitutes a constructive obligation, as defined by the Charities SORP (FRS 102). The amount of this obligation cannot be measured with sufficient reliability as the support required by individual priests will vary considerably, particularly depending on whether any third-party care is needed.

#### 21. SUBSIDIARY COMPANIES

##### **DIOCESE OF ARUNDEL & BRIGHTON (BUILDING SERVICES) LIMITED**

The wholly owned trading subsidiary was incorporated in the United Kingdom in 1991 (Reg No 2576444). The company manages building contracts on behalf of the Diocese. The Diocese owns all the issued share capital of two ordinary shares. A summary of the trading results is shown below.

All the turnover represents sales of building construction to the Diocese. The subsidiary has no material net assets or liabilities and there is therefore no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary. The charity and its subsidiary are not consolidated. This company is dormant and has not traded since 2016.

##### **Arundel and Brighton Lourdes Pilgrimage Limited**

The wholly owned trading subsidiary was incorporated in the United Kingdom (Reg no 2998831). The company directors resolved to wind up the company in 2021 and its trade, assets and liabilities were transferred to the Diocese trust in that year. The total net liabilities transferred was (£1,938) in 2021. It is anticipated that this company will be struck off during 2024.

#### 22. Related Party Transactions

Insofar as the Trustees are aware, there are no matters required to be reported other than that already shown in the accounts.

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

England & Wales - Charity number 252878

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# Accounts

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ARUNDEL & BRIGHTON  
DIOCESAN TRUST

Registered Charity No. 252878

**Annual Report & Accounts**

Incorporating Thirty Connected Trusts under  
Charity Commission Uniting Directions

**For the year ended 31 December 2022**

The St Philip Howard Centre, 4 Southgate Drive, Crawley  
West Sussex RH10 6RP

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2022

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Report of the Charity Trustees	3
Report of the Auditors	14
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Balance Sheet	19
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Accounting Policies & Notes to Accounts	22

### CONNECTED TRUSTS UNDER CHARITY COMMISSION UNITING DIRECTIONS

#### Trusts Linked to Diocesan Trust on Charity Commission website

Battle Ashburnham	252878 - 1
Diocese Buckley	252878 - 2
Slindon Leslie	252878 - 3
Littlehampton Norfolk	252878 - 4
Littlehampton Norfolk 1901	252878 - 5
Diocese Education	252878 - 6
Duncton Bedingfeld	252878 - 7
Hérons Ghyll Hope	252878 - 8
Crawley Scawen Blunt	252878 - 9
Duncton Biddulph	252878 - 10
Arundel Norfolk	252878 - 11
Houghton Norfolk Cemetery	252878 - 12
Arundel Norfolk Cemetery	252878 - 13
Duncton Biddulph Education	252878 - 14
Angmering Norfolk	252878 - 15

#### Other Trusts

Burwash Cemetery  
Caterham Stacpole  
Dorking Norfolk  
Effingham Pauling  
Godalming Hyland  
Hastings Fairlight Shadwell Cemetery  
Horsham Norfolk  
Keymer Munster  
Oxted Lang  
St Leonards Grant  
Sutton Park Salvin  
West Byfleet Marist School  
Worthing Gaisford

#### The following Trusts consolidated their accounts with the Diocese's by resolution of their Trustees:

Diocese Elmer  
Haywards Heath St Joseph's School

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### LEGAL AND ADMINISTRATIVE DETAILS

##### TRUSTEES

Right Reverend Richard Moth, Bishop of Arundel and Brighton – Chair  
P Bergin  
Sr J Bertelsen  
P Burgess OBE, DL, KSG, KGCHS  
Reverend Father J How  
J Lydon  
K Maloney  
Reverend Canon J S Martin VG  
Reverend Canon K J O'Brien  
C Wordsworth  
G Melly (appointed 12 January 2023)

##### Secretary to Trustees

S M Kilmartin

##### DIOCESAN OFFICE

The St. Philip Howard Centre  
4 Southgate Drive  
Crawley  
West Sussex  
RH10 6RP

##### FINANCE COMMITTEE

Reverend Father J How – Chair  
Mr P Bergin ACA  
Mrs N Bryson MA, ACA (resigned 30 June 2022)  
W Connell FCMA (resigned 23 March 2023)  
J Cornish FRICS (resigned 8 February 2023)  
Reverend Deacon P Gately FIA  
Mr Patrick Gloyens  
Mrs I Wragg FRICS (resigned 30 June 2022)

##### KEY MANAGEMENT PERSONNEL

Chief Operating Officer	Mrs S M Kilmartin
Director, Education Service	Mrs J Oldroyd
Clergy Welfare Officer	Ms Annie Condon
Safeguarding Coordinator	Mrs Angela McGrory
Head of Communications	Ms Laura Maydew Gale

##### ADVISERS

##### AUDITOR

Moore Kingston Smith LLP  
6<sup>th</sup> Floor 9 Appold Street  
London EC2A 2AP

##### SOLICITORS

DMH Stallard  
Gainsborough House  
Pegler Way  
Crawley  
West Sussex RH11 7FZ

##### INVESTMENT MANAGERS

Joh. Berenberg, Gossler & Co. KG  
60 Threadneedle Street  
London EC2R 8HP

##### BANKERS

HSBC Bank plc  
69 Pall Mall  
London SW1Y 5EY

##### INSURANCE MANAGERS

Catholic Insurance Service Ltd  
Suite 5, Oxford House  
Oxford Road  
Thame OX9 2AH

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

The Arundel and Brighton Diocesan Trust is a charity established by a Trust deed dated 19th May 1967 as amended 14th November 1967 and 4th December 1998. The charity is registered with the Charity Commission of England and Wales (No. 252878).

The Trustees present their report and financial statements for the year ended 31 December 2022.

### **OBJECTIVES AND ACTIVITIES**

The Diocese is a portion of the People of God, defined by its territories – in this case, the city of Brighton & Hove, the counties of East and West Sussex and Surrey outside the London Boroughs. The Diocese serves its people through our 75 Parishes, 64 schools and the Diocesan central agencies. The aim of the Diocese is, in accordance with the objectives of the charity, the advancement of the Roman Catholic religion and education.

The Diocese gathers principally through the worship of God and through prayer. This is the foundation of its work and, built on this foundation, the Diocese brings its people together for formation in the Roman Catholic religion. This work of formation is carried out in a number of ways: in Parishes; at diocesan level through conferences and courses and Cathedral liturgies; through the provision of retreats; through the work of its schools. This formation enables the people of the Diocese to exercise the mission of the church. This is carried out in myriad ways through social outreach, especially to the poor and disadvantaged – often at Parish and local level; through provision of courses for those who may wish to explore faith; through support of the work of the Church in other parts of the world.

In order to achieve these aims, a number of strategies are put in place by the Trustees. These include support for 75 Parishes and 64 Catholic schools serving some 30,000 pupils. A large diocesan pilgrimage to Lourdes is undertaken each year (subject to travel restrictions during the last 2 years of the pandemic). Chaplaincy services are provided for universities, hospitals, hospices and prisons.

The achievement of these aims fulfils the legal purposes of the charity and impacts on society at a number of levels. The young are enabled to take a responsible place in society, enriching it through their way of life; care is provided to those who are in hospital, elderly or housebound; to those in prison and to those who live with disability. Family life is fostered and supported. Support is given to the bereaved through a network of trained bereavement counsellors. The outreach of the Diocese enables many others to avail themselves of the social support offered by the Church. The effect of the Diocese's work beyond its boundaries has a deep impact on those living in the poorer parts of the world. A particular impact in recent years has been achieved in the support of refugees and through a project to encourage people in the care of the natural world and its resources.

The Bishop has oversight of the whole Diocese, achieved through visitations of Parishes, schools and the various operations of the Diocese referred to above. He is aided in this through the work of a number of consultative bodies and by Deans who have pastoral oversight of groupings of Parishes.

The schools of the Diocese are subject to both OFSTED and Catholic School Inspections and are very well supported by the Diocesan Education Service.

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Service by Volunteers**

Much of the activity of the Diocesan Trust is carried out by volunteers. Typically, between 10% and 20% of any parish community will be actively engaged in such activity, either in parish initiatives or through the service offered by other Catholic organisations that are present across the Diocese and beyond. The Diocesan Trustees, parish clergy and diocesan central staff value this engagement, which is an intrinsic part of the life of the Church.

#### **Grant making policy**

The Diocesan Trust is not primarily a grant making charity. Most grants are of modest size. Occasional larger grants are made by The Trustees, most often to Catholic schools to assist with capital projects.

#### **Public benefit**

The Trustees confirm that they have complied with the duty in the Charities Act 2011 section 17 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity. The public benefit provided by the Charity includes the provision of religious ceremonies (such as baptisms, weddings and funerals), maintaining religious burial grounds, celebrating public Masses, and providing and maintaining places of worship. There is also a benefit to the general public as churches can be accessed by people of all faiths and none, for personal spiritual contemplation. Catholic schools and parishes are communities which contribute to the moral and spiritual wellbeing of those who participate. From these centres educational, social and pastoral work is carried out as a practical expression of faith. All of these contribute to the wellbeing of civic society in our country.

### **ACHIEVEMENTS AND PERFORMANCE**

The year 2022 saw the life of the Diocese emerging from the Covid Pandemic, with steadily increasing attendance at Mass in most parishes. While the increase was gradual, there were strong signs of a return to pre-pandemic attendance. It has become clear that the pandemic has had a major impact on lay faithful and clergy alike, with many clergy left tired by the experience of serving their parishes in difficult and uncertain times. The progress towards a mentoring scheme for clergy, the preliminary work for which took place in 2022, will bring about an important support for priests and deacons, assisting them in their ministry.

The levels of poverty so present during the pandemic years, especially in some parishes along the South Coast, continue as a result of economic downturn and increasing prices. The demand for food banks operated by parishes, often in collaboration with other churches, continues. A number of parishes have been making halls available as 'warm spaces' for those unable to maintain heat in their homes. Parishes' concern for the community and environment has led to further engagement with LiveSimply programmes and other initiatives. Our communities responded with generosity to the crisis in Ukraine, giving financial support via established charitable partners and working with organisations providing practical help.

The success of on-line opportunity for faith formation continues and will remain a feature of Diocesan life. "Invited", the online Mission run in 2021 took place again in 2022 – this time in the Easter Season – and is planned to continue in both 2023 and 2024. This is an effective way for the Diocese to reach out to large numbers at a time that is convenient and avoids the financial and environmental impact of travel.

Other formation activities have returned in person, notably the Catholic Certificate in Religious Studies, which attracts teachers in particular, as well as those seeking to share their faith in parish settings.

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

The progress in the development of the two Multi-Academy Trusts has continued at a deliberate pace, as is required by the need for due diligence on the one hand and the capacity of the trusts themselves on the other. The Trust in Surrey, begun first, is now engaging effectively in the formation and training of teachers.

In September 2022, the Diocesan Offices gathered together on one site, at The St. Philip Howard Centre in Crawley. Members of the central teams in the Diocese supported this move and the provision for everyone to work in one location is proving very successful, with improved communications across departments and a greater sense of cohesion developing.

The Diocesan Pilgrimage to Lourdes was able to travel in 2022, albeit with somewhat reduced numbers, with some 500 pilgrims making the journey. The smaller number reflected the continuing restrictions required in the wake of the pandemic, but the return of the Pilgrimage was greatly welcomed by all who travelled, with assisted pilgrims, medical staff and helpers, youth group and family group gaining much from the experience.

### **FINANCIAL REVIEW**

Before taking into account the investment losses, there was a surplus of £2.3 million. Income increased in the year to £20.3 million (2021 £17.3 million). The improvement in revenue of £3.0 million compared to 2021 was mainly as a result of increases in collections and donations of £4.0 million, a growth in activity income of £1.0 million, an increase in legacies of £1.0 million partially offset by a reduction in asset disposal proceeds £2.1million. Expenditure increased in the year to £18.1 million (2021 £14.9 million), caused mainly by project costs at the Crawley centre £0.9 million and increase in property expenditure at parishes of £1.9 million. The net deficit for the year was £(5.0) million (2021 £3.5 million surplus). There was a cash inflow of £1.9 million (2021 £3.7 million) due to the receipts from property sales. Overall Diocesan funds decreased to £95.6 million (2021 £100.7 million).

The income and expenditure of the Diocesan Trust is set out in three principal components: Parishes, Central Diocese and Schools. The basis of charitable expenditure is made by reference to the objectives of the charity: the advancement of the Roman Catholic religion and education. The thirty connected Trusts are incorporated into the results for the area of the Diocese to which they relate. Twenty-eight of the connected Trusts provide the land and church buildings for Parishes who maintain the properties and two are linked to activities of the Central Diocese (care for retired priests).

The financial statements comply with the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), and are in accordance with the accounting policies of the Diocese.

The majority of funds in the charity are raised and expended within each individual Parish or centre activity in support of its work. In addition to financing their own activities, Parishes also support the Diocese through the transfer of funds to cover both general and specific activities of the Diocese.

### **Parishes**

The net Surplus in funds before transfers was £0.3 million (2021 £3.6 million). Income was £14.1 million compared with last year's £12.1 million due to improvements in offertory collections, legacies and trading activities, offset by a £0.8 million reduction in gains on property sales. Expenditure increased to £11.0 million

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

(2021 £8.7 million) due to an increase in projects and activities. Parishes contributed £2.2 million to the central costs of the Diocese through transfers (2021 £1.7 million).

Most of the costs incurred in the Parishes were attributed to the primary activity of the Diocese: advancement of the Roman Catholic faith.

Parish net assets suffered from a negative year end valuation of investments, which decreased in value by £2.8 million (2020 increase of £0.2 million). The overall deficit at year end was £1.9 million (2021 surplus £1.9 million). Parish funds decreased to £69.8 million (2021 £71.6 million). Tangible fixed assets at cost less any depreciation were £41.5 million at year end, steady with last year's £41.5 mi.

#### **Central Diocese**

The Central Diocese comprises the office of the Bishop and Curia, including the Chancery and Tribunal, as well as the Formation Team, the Education Service and Safeguarding Team and the officers providing support with Finance, Health & Safety, Property, HR, Communications and IT. The Central office in Crawley is maintained to accommodate these staff and to provide facilities for meetings and training for a wide range of participants from schools and parishes. The net deficit for the year was £(1.1) million compared to a deficit of £(1.2) million last year. Income has been boosted by a donation following the closure of Wonersh Seminary of £2.7 million offset by a reduction in disposals of Fixed Assets of £1.2 million. Expenditure has increased this year due to project work at The St Philip Howard centre in Crawley of £0.9 million. Investments suffered a loss in year end valuation of £(4.6) million (2021 surplus £0.9 million). The overall funds of the Central Diocese decreased to £24.2 million (2021 £27.7 million) with £1.7 million in unrestricted funds excluding designated reserves. Tangible assets accounted for £11.4 million of Central Diocese funds, in line with the prior year end

#### **Schools**

Sacred Heart Preparatory School in Wadhurst and three Parish pre-schools operated within the Diocesan Trust and their results are reflected in these accounts. Pre-schools operate in the parishes of Chichester, Crawley and Haywards Heath. Total unrestricted funds were positive £0.1 million (2021 £(0.3) million). Tangible assets account for £1.5 million (2021 £1.6 million).

#### **Risk Assessment and Risk Management**

During 2022 the Diocesan Trustees continued their oversight of the major risks to which the Trust is exposed. The measures that have been put in place by Trustees and through the work of the Bishop and Episcopal Council maintain a careful watch on areas of risk.

The Safeguarding team continues training and monitoring activities to address the risk of safeguarding failures in relation to children and vulnerable adults. Their work is overseen by Trustees through the Safeguarding sub-committee. Health and Safety risks are overseen by a Health and Safety sub-committee. A cloud-based Health and Safety system is in use, allowing monitoring and support of parish compliance in this area.

The Trustees have focused particular attention on the key strategic risks facing the Diocese. Challenges around clergy numbers and the average age of priests are significant. The Bishop and Trustees recognise the increasing burden on priests and deans and have ensured that clergy support and wellbeing is a developing focus. The Bishop is engaging with deaneries to discuss greater collaboration across parish boundaries and the importance of the full participation of lay people as we move forward with the number of priests serving our parishes reducing. The Communication and Formation teams are key in addressing risks around

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

stakeholder engagement and the impact of secular culture. The Education and Safeguarding teams report their management of risk quarterly to Trustees.

#### **Investment Policy and Performance**

The Trust deed authorises the Trustees to make and hold investments using the general funds of the Diocese. The investment objective is that the real value of the Trust's assets should be maintained and enhanced over the long term to service the needs of the Trust. The overall risk is assessed to be medium, when viewed with the property and cash assets of the Trust.

The investment managers (Berenberg) manage the day to day management of the various Trust funds on a discretionary basis in line with the Diocesan Statement of Investment Principles (SIP). The SIP outlines the features of the Trust's two investment portfolios, the Multi Asset Investment Fund 1 (MAIF 1) and the Multi Asset Investment Fund 2 (MAIF 2). These differ in risk profile, with the first MAIF taking a medium/high approach to risk, balancing income and capital growth. MAIF 2 takes a low/medium approach to risk, with a focus on capital preservation. Target investment returns have been set at CPI+ 3.0% per annum for MAIF 1 and CPI+ 1.5% per annum for MAIF 2.

The ethical policy expressed in the SIP stipulates that investments will not be purchased in companies where arms, tobacco, pornography or gambling make up more than 5% of turnover or where contraception makes up more than 10% of turnover. This restriction ensures that the Diocese will not be invested in companies dedicated to these products and services but allows investment in sectors such as retail, where a low percentage of trading may relate to these items. The SIP requires that no investments can be held in companies that perform abortion services or conduct research using foetal matter, and that the investment managers will only invest in companies with responsible lending policies. The ethical investment policy outlined in the SIP precludes holdings in companies engaged with the extraction or refining of Fossil Fuels.

The investment objectives for the connected Trusts are the same as those for the Diocese, and their portfolios are managed by Berenberg according to the risk approach of individual Trustees, with some preferring the low/medium risk profile of MAIF 2.

During the year an investment loss of £7.4 million arose (2021 gain £1.1 million). This performance reflected challenging market conditions.

#### **Reserves Policy**

The reserves held after making allowance for any restricted funds, and the amount of designations, commitments (not provided for as a liability in the accounts) or the carrying amount of functional assets totalled £1.7 million. Although capable of utilisation across the relevant entities, these reserves were held as to £0.1 million by the Schools and £1.6 million by the Central Diocese.

The total reserves are £95.6 million, of which £12.5 million relate to the connected Trusts.

Restricted funds total £8.3 million (Diocese £1.8 million and Parish and connected Trusts £6.5 million), particulars of which are set out in Notes 18 and 19 to the accounts. Permanent Endowment funds total £10.8 million (Diocese £0.8 million and connected Trusts £10.0 million), with particulars also set out in Notes 18 and 19 to the accounts.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2022

Designated funds, wholly held by the Diocese, are £74.8 million and comprise the general unrestricted funds of the individual Parishes, £53.2 million and other designated funds totalling £21.5 million, of which the most substantial is the fixed asset fund of £12.4 million, followed by the retired priests' fund of £3.8 million. Following the closure of Wonersh Seminary and the donation of £2.7 million into Diocese funds two new designated funds have been created £1.5 million for Clergy formation and £1.2 million for Mission path.

In Canon Law the Parishes have the right to acquire, retain, administer and alienate temporal goods. While the unrestricted funds of the individual Parishes could therefore be regarded as restricted at the Diocesan level, this might not be consistent with the civil law status of the Diocese as a single entity. In order to respect the special nature of these funds, the Trustees have designated these funds as relating to the individual Parishes from which they are derived.

The funds held by each of the 75 Parishes need to be held in order to provide working funds, to meet future expenditure (particularly on property maintenance) that will not be met by future income and, in some cases, to accumulate funds for a building programme. The properties held by Parishes comprise the Parish church or churches and, in most cases, a hall and presbytery. The maintenance costs of these properties can be substantial and frequently unpredictable. Excluding tangible fixed assets, the average amount of unrestricted funds held by Parishes is £157k (2021 £169k). The actual amounts held vary significantly above and below this average, but Parishes with funds surplus to immediate foreseeable requirements are able to provide support to Parishes in need of assistance, usually through the Diocese.

The unrestricted funds of the Trust are also utilised to provide land and buildings for both Central Diocese and the Schools. These funds are held in designated Fixed Asset funds of £12.4 million and £1.5 million respectively.

As stated in note 21, the Trustees consider that there is a constructive obligation to support priests in their retirement, but the provision required cannot be measured with sufficient reliability. The Trustees consider, however, that it is necessary to designate funds based on their best estimate of the possible future requirement. The designated fund for retired priests (£3.8 million at the year-end) is intended to provide (i) a fund to meet the cost of support of already retired priests and (ii) a fund that, with future transfers to the fund, will meet the cost of support in retirement for all currently serving priests, in both cases allowing for future inflation and interest. With further replenishment, the fund is projected to be expended over the lifespan of currently serving and retired priests.

The fund designated for Ecclesiastical Education is largely derived from donations from Parishes for the express purpose of ecclesiastical education. As these are intra-Trust donations they cannot be treated as restricted but, in order to respect the special nature of these funds, the Trustees have designated them accordingly. The fund was £0.7 million at year-end and is adequate, at present levels of expenditure, to cover the relevant costs for approximately five years.

The total of funds that can be realised only by disposing of tangible fixed assets is £54.4 million. These amounts are reflected in restricted, endowment and designated funds (i) as part of the overall funds of Parishes that are designated at Diocesan level and (ii) by a designated fund of the Central Diocese.

The parish pre-schools reserves are not adequate to ensure their ongoing financial stability, and the three parishes that continue to run pre-schools will underwrite their liabilities with parish reserves. The overdraft

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

at Sacred Heart School has been incurred in relation to property projects approved by the Diocesan Finance Committee, with a repayment schedule agreed.

The net costs of the Central Diocese are met in part by levies on parishes. Reserves are required to meet shortfalls in the income needed to meet current levels of expenditure. They are also needed to provide funding, by way of loans and/or grants to parishes and schools, principally for building and other development projects.

The Trustees have not determined a fixed amount of general reserves that are needed but consider that the reserves need to be maintained at least at the present level in order to meet possible shortfalls in income. The reserves need to be increased in order to be able to respond to requests from schools and Parishes for building and development funding, which is at present constrained by the level of reserves.

#### **FUTURE PLANS**

2022 saw the publication of the second edition of the Diocesan Pastoral Plan, 'The Word Who is Life.' Since its publication, meetings have been taking place across the Diocese as preparation for changes to Deanery and Parish dispositions. These changes will serve to ensure the ongoing work of the Charity in the years ahead, through greater involvement in the mission of the Diocese. The Synod journey progressed in 2022 with a period of national discernment and reflections shared across the Continent. The process will culminate in October 2023 with the Synod of Bishops in Rome on the theme of "a synodal Church: communion, participation and mission".

The Diocese will celebrate the 150<sup>th</sup> Anniversary of the building of Arundel Cathedral in 2023. This will provide an excellent focus for all in the Diocese and in addition to celebrating the event, will provide a further focus on the mission of the Church and the ongoing work of the Charity. During 2023, the Cathedral will receive many additional visitors as there will be a series of special events, including music concerts and a Discovery Day for children. The Cathedral will also be the chosen venue for all Confirmations and for the annual Good Shepherd celebration, which is attended by representatives from all our primary schools.

Social Outreach continues to be an important element of Diocesan life, with a particular focus on the needs of refugees, particularly in the Brighton area. In addition, outreach to the bereaved is provided through a well-established Ministry of Consolation. The young people of the Diocese are involved in an increasing number of initiatives, including a three-year programme of formation for those who will be future leaders in the community of the Diocese and the youth programme that takes place on the annual pilgrimage to Lourdes. These initiatives will continue to play an important part in the work of the Charity.

The coming years will see a number of priests retire from active ministry. Provision for retired priests is provided effectively and it will be incumbent upon the Charity Trustees to ensure the continuing care of an increasing number of retired.

The Diocese continues to strengthen its approach to safeguarding, introducing internal Parish safeguarding audits during 2023, and preparing for external audit by our new regulator the Catholic Safeguarding Standards Agency.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

The fixed assets and investments of the charity are vested in a Trust corporation as nominee for the charity with the Diocesan Trustees as the managing Trustees. There are eleven managing Trustees. The Trust Corporation is the Arundel & Brighton Roman Catholic Diocesan Corporation Limited incorporated on 20th January 1969. The Corporation is registered under the Companies Acts (No. 0946255) as limited by guarantee and not having share capital; the Diocesan Trustees are its members and directors.

The Diocese is working with the Charity Commission with the aim of appointing the Corporation as the Sole Corporate Trustee of the Diocese. Trustees will exercise their oversight of the Charity in their continuing roles as Directors of the Corporation.

#### **Trustees**

The Bishop is empowered to appoint and remove all Trustees. The Trustee body comprises four clergy, one religious, and six laity of the faithful. The clergy Trustees are appointed for their expertise in parochial, spiritual and pastoral matters. Lay Trustees are selected for specialisms in business, education and pastoral work. Further lay Trustees would be chosen to match any perceived skill requirement and would be recruited on the recommendation of, inter alia, Trustees, the Finance Committee and Parish priests. New Trustees are supported to understand the constitution, governance and operation of the Trust, and are encouraged to visit the central departments as well as being familiar with the work of Parishes. All decisions affecting the Trusts are made by the board of Trustees. The board has established various committees to advise it on aspects of the Trust's activities.

Trustees receive training in charity governance and receive updates relating to the Charity Commission periodically.

Trustees are supported by a number of subcommittees. Membership and leadership of these committees is directed by the Bishop.

#### **Finance Committee**

The committee comprises two Trustees and two others who have expertise in financial, property and management matters. The committee meets at a minimum quarterly during the year. The role of the committee is advisory to the Trustees on financial governance and asset management. The committee also acts as the Trustees' audit committee.

#### **Education Committee**

The Education Committee provides a vehicle for collective planning, advice and decision-making in conjunction with the Diocesan Education Service and in relation to diocesan schools and academies.

The membership reflects a broad range of interests, including those of Headteachers in academies, maintained and independent schools, Governors and Clergy, alongside the Diocesan Bishop, a Trustee and Diocesan staff within and beyond the Education Service. Members advise on and monitor the setting and operation of a range of policies and guidelines for diocesan schools and academies. (Examples may include areas such as admissions; religious education and worship; Section 48 inspection framework; criteria for diocesan building priorities, etc).

Where appropriate, the committee will make strategic decisions on the basis of advice from diocesan officers and the outcomes of consultation. Occasionally, recommendations and/or proposed decisions taken by the

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

Education Committee will be subject to ratification by the Bishop and Trustees, for example if they relate to policies of the Bishops' Conference or are regulated in Canon Law.

The committee advises the Trustees on education policy issues and meets three times a year.

#### **Academies Partnership Committee**

The Academies Partnership Committee meets to support the two Catholic Education Trusts for our academies. It provides a vehicle for collective advice and recommendation in relation to the academies programme.

The Committee membership reflects an appropriate skill set and professional experience. It includes the Bishop, Headteachers in academies, maintained and/or independent schools, Foundation Governors and two Diocesan Trustees. It is attended and supported by diocesan staff within and beyond the Education Service.

Committee Members participate by virtue of their appointment, bringing to the role their own professional and lay experience and expertise. They are not representatives of a particular group.

When appropriate, Committee Members determine, advise on and/or monitor the setting and operation of a range of policies and guidelines relating to the diocesan academies programme. The Committee scrutinises applications from schools wishing to convert to academy status. Their recommendations to the Bishop are based on due diligence presented by the Catholic Education Trusts, the outcome of consultations undertaken, discussion with the CEO and Chair of the Trust Board and advice from diocesan officers. Recommendations and/or proposed decisions taken by the Committee will be subject to ratification by the Bishop and Trustees where they relate to the conversion of a school to academy status.

Some proposed decisions may require the express consent of the Bishop, for example if they relate to the policies of the Bishops' Conference or are regulated in Canon Law.

The committee meets a minimum of three times a year, but more often if required.

#### **Safeguarding Subcommittee of Trustees**

This purpose of this Subcommittee of Trustees is to support, assist and advise the Diocesan Trustees in discharging their duties in safeguarding, in accordance with the trustees legal and regulatory duties, Trust Deed, Canon Law of the Catholic Church, Charity Commission guidance, and operating within the standards, policies and procedures of the Catholic Safeguarding Standards Agency. The Subcommittee will make a regular report to be shared at each meeting of Trustees. In turn the Trustees will feed back comments (if appropriate), and, if required, will direct the Subcommittee to consider safeguarding matters where Trustees require additional information, explanations or guidance.

The Subcommittee is chaired by an independent safeguarding professional. There shall be at least four further members and must include two or more Trustees as members. After consulting with the Bishop of Arundel & Brighton the Chair will ensure that representatives from other agencies such as Police, Probation, Local Authority, Healthcare or others are invited as members to attend meetings. It is expected that the Diocesan Clergy Lead and Judicial Vicar are in attendance as members of the subcommittee.

#### **Council of Priests and College of Consultors**

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

The Council of Priests assists the Bishop, on accordance the prescriptions of Canon Law, as a consultative body relating to the governance of the Diocese and the pastoral welfare of both clergy and lay faithful.

The College of Consultors, whose members are drawn from the Council of Priests, has responsibilities enunciated in the Code of Law and has a particular role when the Diocese is without a Bishop.

#### **Episcopal Council**

This Vicar General and the three Episcopal Vicars form this Council, as a group of close advisors to the Bishop in the governance and pastoral provision of the Diocese. It meets monthly.

#### **Pastoral Commissions**

There are several committees advising the Trustees on the wide range of pastoral activities undertaken by the Trust. These committees meet between one and four times a year.

#### **Parishes**

The day to day administration of our Parishes is carried out by Parish clergy who are advised by their Parish finance committees. Significant matters are authorised by the Trustees, for example major property or capital expenditure.

The voluntary aided (maintained) schools and Academies of the Diocese are exempt charities that co-operate with the Trust in providing education in partnership with the UK Government.

#### **Remuneration Policy**

Annual pay changes are approved by the Trustees, and job roles and remuneration are reviewed periodically. Benchmarking against market rates is employed when new roles are created. Remuneration for key management roles is benchmarked against market rates when appointments are made and considered annually.

#### **Fundraising approach**

The Diocese does not engage in fundraising telephone or email campaigns. Funds are raised through collections at services and events, or through donations received via post, bank transfer or online giving. The Diocese is regulated by the Fundraising Regulator. No complaints about fundraising were received this year or during the prior year.

#### **Subsidiary Companies**

The Diocese has one wholly owned dependent company, Diocese of Arundel & Brighton (Building Services) Ltd. The company was established to facilitate the management of building contracts for the Diocese. Its sales are only to the Diocese. The company provides its services approximately at cost, and therefore makes a minimal profit or loss. The company has not traded actively for a number of years and for the year ended 31 December 2022, the turnover of the company was £Nil (2021: £Nil) and there was a loss of £Nil, (2021: £Nil).

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### REPORT OF THE CHARITY TRUSTEES

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the net movement in funds of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust deed dated 19th May 1967. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Diocesan Trustees on 13 July 2023 and signed as authorised on their behalf by:

A handwritten signature in black ink that reads "+ Richard Moth". The signature is written in a cursive style with a cross at the beginning.

The Right Reverend Richard Moth  
Bishop of Arundel & Brighton  
Chairman of Diocesan Trustees

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **Opinion**

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

In our opinion the financial statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's Responsibilities for the audit of the financial statements**

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

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

*Moore Kingston Smith LLP*

Statutory auditor

Date: 25 September 2023

6<sup>th</sup> Floor  
9 Appold Street  
London  
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.



ARUNDEL AND BRIGHTON DIOCESAN TRUST  
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

Note	Parishes		Central Diocese		Schools		2020 Total £'000
	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000	
<b>INCOME AND ENDOWMENTS FROM</b>							
<b>Donations and legacies</b>							
2	7,047	918	143	70	3	-	8,181
	1,039	110	271	65	-	-	1,485
3	49	13	509	61	165	-	797
<b>Charitable Activities</b>							
4	109	-	-	15	-	-	124
5	47	-	-	-	2,047	-	2,094
6	1,360	-	139	-	-	-	1,499
7	99	71	224	8	2	-	404
	1,289	-	1,453	-	-	-	2,742
	11,039	1,112	2,739	219	2,217	-	17,326
<b>TOTAL</b>							
<b>EXPENDITURE ON</b>							
<b>Raising funds</b>							
8	115	-	61	-	-	-	176
<b>Charitable activities</b>							
8	7,719	886	3,636	486	-	-	12,751
8	-	-	-	-	2,011	-	2,011
	7,834	886	3,697	486	2,011	-	14,938
<b>TOTAL</b>							
	(19)	31	800	71	-	-	1,116
<b>Net gains/(losses) on investments</b>							
	3,186	257	(158)	(196)	206	-	3,504
<b>NET INCOME</b>							
<b>TRANSFERS BETWEEN FUNDS</b>							
	(1,738)	-	1,738	-	-	-	-
	27	(34)	-	-	-	-	-
	(1,711)	(34)	1,738	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>							
	1,475	223	1,580	(196)	206	-	3,504
<b>RECONCILIATION OF FUNDS</b>							
	52,686	5,957	23,075	2,358	1,054	52	97,183
<b>FUNDS CARRIED FORWARD</b>							
	54,161	6,180	24,655	2,162	1,260	52	100,687
							97,183

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2021 £'000
<b>FIXED ASSETS</b>						
Tangible assets	13	41,467	11,466	1,527	<b>54,460</b>	54,480
Investments	14	12,083	18,661	-	<b>30,744</b>	38,499
		<u>53,550</u>	<u>30,127</u>	<u>1,527</u>	<u><b>85,204</b></u>	<u>92,979</u>
<b>CURRENT ASSETS</b>						
Debtors and prepayments	15	507	1,481	16	<b>2,004</b>	1,836
Cash at bank and on deposit		9,457	1,539	152	<b>11,148</b>	9,200
		<u>9,964</u>	<u>3,020</u>	<u>168</u>	<u><b>13,152</b></u>	<u>11,036</u>
<b>LESS LIABILITIES</b>						
Creditors - amounts falling due within one year	16	(753)	(1,905)	(100)	<b>(2,758)</b>	(3,328)
<b>PARISH LOAN ACCOUNTS</b>						
Due to Parishes		7,022	(7,022)	-	-	-
<b>NET CURRENT ASSETS</b>		<u>16,233</u>	<u>(5,907)</u>	<u>68</u>	<u><b>10,394</b></u>	<u>7,708</u>
<b>TOTAL NET ASSETS</b>		<u>69,783</u>	<u>24,220</u>	<u>1,595</u>	<u><b>95,598</b></u>	<u>100,687</u>
<b>FUNDS OF THE CHARITY</b>						
Unrestricted funds						
General funds	17/18		1,685	29	<b>1,714</b>	6,663
Designated funds	17/18	53,275	20,001	1,514	<b>74,790</b>	73,413
	17/18	<b>53,275</b>	<b>21,686</b>	<b>1,543</b>	<b>76,504</b>	80,076
Restricted funds	17/18	6,460	1,768	52	<b>8,280</b>	8,394
Permanent endowment	17/18	10,048	766		<b>10,814</b>	12,217
<b>TOTAL CHARITY FUNDS</b>		<u>69,783</u>	<u>24,220</u>	<u>1,595</u>	<u><b>95,598</b></u>	<u>100,687</u>

Approved by the Trustees on 13 July 2023 and signed as authorised on their behalf by:

The Right Reverend Richard Moth  
Bishop of Arundel and Brighton  
Chairman of Trustees

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2020 £'000
<b>FIXED ASSETS</b>						
Tangible assets	13	41,464	11,413	1,603	<b>54,480</b>	56,268
Investments	14	14,573	23,926	-	<b>38,499</b>	36,957
		<u>56,037</u>	<u>35,339</u>	<u>1,603</u>	<u><b>92,979</b></u>	<u>93,225</u>
<b>CURRENT ASSETS</b>						
Debtors and prepayments	15	727	1,098	11	<b>1,836</b>	1,960
Cash at bank and on deposit		9,243	74	(117)	<b>9,200</b>	5,515
		<u>9,970</u>	<u>1,172</u>	<u>(106)</u>	<u><b>11,036</b></u>	<u>7,475</u>
<b>LESS LIABILITIES</b>						
Creditors - amounts falling due within one year	16	(636)	(2,507)	(185)	<b>(3,328)</b>	(3,517)
<b>PARISH LOAN ACCOUNTS</b>						
Due to Parishes		6,311	(6,311)	-	-	-
		<u>15,645</u>	<u>(7,646)</u>	<u>(291)</u>	<u><b>7,708</b></u>	<u>3,958</u>
<b>NET CURRENT ASSETS</b>						
		<u>71,682</u>	<u>27,693</u>	<u>1,312</u>	<u><b>100,687</b></u>	<u>97,183</u>
<b>TOTAL NET ASSETS</b>						
<b>FUNDS OF THE CHARITY</b>						
Unrestricted funds						
General funds	17/18		7,006	(343)	<b>6,663</b>	4,643
Designated funds	17/18	54,161	17,649	1,603	<b>73,413</b>	72,172
	17/18	<b>54,161</b>	<b>24,655</b>	<b>1,260</b>	<b>80,076</b>	76,815
Restricted funds	17/18	6,180	2,162	52	<b>8,394</b>	8,367
Permanent endowment	17/18	11,341	876		<b>12,217</b>	12,001
		<u>71,682</u>	<u>27,693</u>	<u>1,312</u>	<u><b>100,687</b></u>	<u>97,183</u>
<b>TOTAL CHARITY FUNDS</b>						

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£'000	£'000
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by (used in) operating activities (see below)</b>	597	(704)
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	405	404
Purchase of property, plant and equipment	(889)	(1,279)
Proceeds from sale of property, plant and equipment	1,449	5,690
Purchase of investments	(7,195)	(7,137)
Proceeds from sale of investments	7,581	6,711
<b>Net cash (used in) provided by investing activities</b>	1,351	4,389
<b>Net cash provided by financing activities</b>	-	-
Change in cash & cash equivalents in reporting period:	1,948	3,685
Cash & cash equivalents at beginning of reporting period:	9,200	5,515
<b>Cash &amp; cash equivalents at end of reporting period:</b>	<b>11,148</b>	<b>9,200</b>
<b>Reconciliation of net incoming resources to cash flow from operating activities</b>		
Net (expenditure)/income for reporting period (as in SOFA)	(5,089)	3,504
<b>Adjustments for:</b>		
Depreciation	89	119
Deficit or (Surplus) retained in Investment Portfolio	7,368	(1,116)
Dividends	(405)	(404)
Net (Gains) on Disposal of Fixed Assets	(628)	(2,742)
Decrease in Debtors	(168)	124
(Decrease) in Creditors	(570)	(189)
<b>Net cash used in operating activities</b>	<b>597</b>	<b>(704)</b>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)(including update bulletin 27 (Charities SORP FRS102)), and the financial Reporting Standard applicable in the UK and Republic of Ireland (FR102), the Charities Act 2011 and UK generally Accepted Practice

Arundel and Brighton Diocesan Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in sterling which is the financial currency of the entity. Monetary amounts are rounded to the nearest thousand pounds

##### 1.2 Preparation of the accounts on a going concern basis

Having considered future budgets and cash flows for a period of at least one year from the date of approval of the financial statements, the Trustees confirm that they have no material uncertainties about the entity's ability to continue as a going concern for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing the financial statements.

##### 1.3 Subsidiary company

All the turnover of the Diocese's wholly owned dependent company, the Diocese of Arundel & Brighton (Building Services) Limited, represents sales of building construction to the Diocese. The subsidiary did not trade during the year and has no material net assets or liabilities. There is no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary company. The charity and its subsidiary are not consolidated. The charity had another subsidiary, Arundel and Brighton Lourdes Pilgrimage Limited. In 2021, the assets and liabilities were transferred to the charity and it is the process of being dissolved.

##### 1.4 Income

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

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

Government grant income represents the total amount claimed from HM Revenue & Customs under the Coronavirus Job Retention Scheme (CJRS). The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

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

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

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

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

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

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

#### 1.5 Expenditure

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

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

Charitable activities are advancement of the Roman Catholic Faith and education.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the Board, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Support costs are certain Finance Office costs which cannot be directly apportioned and are allocated on the basis of Trustees' estimates of time spent on relevant functions. Irrecoverable VAT is included with the category of expense to which it relates.

Governance activities comprise organisational administration and compliance with constitutional and statutory requirements. Costs include direct costs of external audit, legal fees and other professional advice.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1.6 Tangible Fixed Assets

Buildings held for use by the charity are included in the financial statements at original cost, where known, or at an estimate of original cost where actual figures are unavailable (see note 13). All new functional buildings and major improvements are capitalised where the cost of construction is greater than £100,000. Certain school properties owned by the Diocese are occupied and run by independent charities in the form of voluntary aided (maintained) schools. There are significant legal restrictions on the disposal of these properties under education legislation. The Trustees consider their ownership to be in the nature of custodianship of the assets and these are therefore not capitalised in the financial statements. The estimated original costs of furniture, equipment and motor vehicles are included in the financial statements.

An impairment review of buildings is performed annually to confirm whether a charge for impairment should be recognised in the statement of Financial Activities. Parish and Central freehold buildings are maintained to a high standard and depreciation is not provided for, as in the trustees opinion, the residual value is equal to the carrying value in the Financial Statements

Depreciation is provided on Schools contents at a rate of 25% per annum on a reducing balance method.

Realised gains/(losses) on disposal of fixed assets for charity use are included in the Statement of Financial Activities as income/expenditure. Unrealised gains and losses on fixed assets for charity use are included in the Statement of Financial Activities under gains and losses on revaluations and investment asset disposals.

#### 1.7 Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

#### 1.8 Voluntary Aided (Maintained) Schools Building Programme

The Diocese administers some projects on behalf of the Governors of voluntary aided schools which are exempt charities. The financial responsibility remains with the Governors. The income and expenditure is conduit funding and as such is excluded from the Financial Statements of the Trust. Any contributions from the Diocese or its Parishes are recorded as grants to the Governors.

#### 1.9 Fund Accounting

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

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

For the purpose of the civil administration of the charity, Parishes are not distinct legal entities but branches forming part of the administrative machinery of the main Diocesan charity, albeit that they have a degree of independence (see page 7). Parish funds and assets, unless held under distinct and express special Trusts evidenced in law, will be part of the Diocesan charity and will be the responsibility of the Diocesan Trustees.

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **NOTES TO THE ACCOUNTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees may under normal legal principles delegate their management to Parish priests with limited authority. Such Parish funds are designated funds within the unrestricted funds.

In Canon Law the Parish is firmly set within the context of the Diocese C515(1) and the Parish priest exercises his ministry under the authority of the Bishop C519. A Parish erected in accordance with the law possesses public juridical personality by the law itself C515(3). In canon law the Parish has the right to acquire, retain, administer and alienate temporal goods C1255 which as ecclesiastical goods are subject to the norms of Canon Law C1257(1).

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

The capital of permanent endowment funds (see Notes 18 and 19) 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.

Income from commercial activities is included in the period that the charity is entitled to receipt.

#### **1.10 Collections for Third Parties**

Where the charity does not have any discretion in collection and distribution of donations, and has no entitlement to the donation, then these amounts are conduit funding. Amounts and balances relating to conduit funding are not included in the accounts and balances of the charity.

#### **1.11 Recognised gains or losses**

All recognised gains or losses for year ended 31 December 2022 and 2021 are derived from continuing activities and are included in the Statement of Financial Activities.

#### **1.12 Debtors**

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

#### **1.13 Cash at bank and in hand**

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

#### **1.14 Creditors and provisions**

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

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1.15 Estimation uncertainty

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

#### 1.16 Financial instruments

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

### 2. COLLECTIONS AND DONATIONS

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Parish offertory collections	6,449	5,910
Donations	4,464	1,083
Gift Aid tax recovered on collections and donations	1,161	1,188
	<hr/> 12,074	<hr/> 8,181
	<hr/>	<hr/>

### 3. GRANTS

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Government Grants	-	150
Friends of Arundel Cathedral	51	56
Parishes various	60	59
Food Voucher Scheme	-	174
Other	209	358
	<hr/> 320	<hr/> 797
	<hr/>	<hr/>

### 4. ADVANCEMENT OF THE ROMAN CATHOLIC FAITH (INCOME)

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Publications and repository sales	142	85
Other including courses and events	85	39
	<hr/> 227	<hr/> 124
	<hr/>	<hr/>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 5. EDUCATION (INCOME)

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Independent preparatory school (Sacred Heart Wadhurst)	1,314	1,670
Parish preschools	383	424
	<u>1,697</u>	<u>2,094</u>

#### 6. OTHER TRADING ACTIVITIES

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Fund raising events	438	296
Lettings and sundry income	2,059	1,203
	<u>2,497</u>	<u>1,499</u>

#### 7. INVESTMENT INCOME

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Listed investments	372	371
Bank interest	33	33
	<u>405</u>	<u>404</u>

#### 8. CHARITABLE ACTIVITIES (EXPENDITURE) 2022

	Direct personnel £'000	Direct other expenditure £'000	Direct grants £'000	Allocated support £'000	2022 Total £'000
Fund raising	47	115	-	15	177
Advancement of Roman Catholic Faith	6,332	8,769	400	618	16,120
Education	1,499	98	28	131	1,756
	<u>7,878</u>	<u>8,982</u>	<u>428</u>	<u>765</u>	<u>18,053</u>

#### CHARITABLE ACTIVITIES (EXPENDITURE) 2021

	Direct personnel £'000	Direct other expenditure £'000	Direct grants £'000	Allocated support £'000	2021 Total £'000
Fund raising	47	115	-	14	176
Advancement of Roman Catholic Faith	5,907	5,288	472	573	12,240
Education	1,669	342	381	129	2,521
	<u>7,623</u>	<u>5,745</u>	<u>853</u>	<u>717</u>	<u>14,938</u>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 9. CHARITABLE GRANTS

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Schools	28	381
Retired priests and housekeepers	40	29
UK Poor and sick	117	74
Overseas missions	89	22
Youth and pilgrimages	30	-
Ecumenical	26	45
Bishop's conference	10	31
Food Vouchers Scheme	21	174
Other	67	97
	<u>428</u>	<u>853</u>

#### 10. SUPPORT COSTS 2022

	Fund raising	Advancement of RC Faith	Education	Total	2021
	£'000	£'000	£'000	£'000	£'000
Governance	15	170	23	209	193
Finance Office	-	448	108	556	523
<b>TOTAL</b>	<u>15</u>	<u>618</u>	<u>131</u>	<u>765</u>	<u>716</u>

#### SUPPORT COSTS 2021

	Fund raising	Advancement of RC Faith	Education	Total	2020
	£'000	£'000	£'000	£'000	£'000
Governance	14	158	21	193	189
Finance Office	-	415	108	523	510
<b>TOTAL</b>	<u>14</u>	<u>573</u>	<u>129</u>	<u>717</u>	<u>699</u>

The Finance Office provides advice and help to Parishes, departments within Central Diocese and Schools. Services include accounting, banking, payroll, investment management, property, legal compliance, HR support and Health and Safety support. Costs have been allocated to activities based on the Trustees' estimate of staff time spent on these activities. Governance costs included fees paid to auditors as follows: audit fees: £49,800 (2021 £45,000), fees for other services £690 (2021 £6,308).

#### 11. STAFF INFORMATION

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 11.1 Staff costs

	Parish £'000	Central Diocese £'000	Schools £'000	TOTAL £'000	2021 £'000
Employee Salaries	1,407	1,517	994	3,918	4,129
Social Security	64	154	75	293	279
Pension Costs	104	179	127	410	443
Total Employee Costs	1,575	1,850	1,196	4,621	4,851
Clergy & Religious Costs	1,602	422	-	2,024	1,719
Travel & Office Costs	536	394	303	1,233	1,053
<b>TOTAL</b>	<b>3,713</b>	<b>2,666</b>	<b>1,499</b>	<b>7,878</b>	<b>7,623</b>

Key management personnel received salary and pension contributions of £415k (2021 £410k). Included in the staff costs above were redundancy costs of £13k (2021 £46k).

#### 11.2 Pension payments

The Diocese operates two pension schemes, a closed scheme where it contributes 15% of gross salary to a group personal pension scheme for staff members in the Parishes and Central Diocese and the auto-enrolment scheme whereby the employer contributes 5% and the employee contributes 4%. The scheme is a defined contributions scheme for which the Diocese is neither liable to finance any funding shortfall nor entitled to benefit from any over-funding. There were contributions outstanding at the year-end of £26k (2021 £27k).

The Diocese participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £73k (2021 £62k) and the contributions outstanding at the year-end amounted to £7k (2021 £7k).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The previous actuarial valuation of the TPS confirmed an employer contribution rate for the TPS of 23.68% from September 2019.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

#### 11.3 Staff numbers

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Parish	Central Diocese	Schools	TOTAL	2021
Clergy & Religious	97	3	-	100	137
Employees - average weekly numbers	164	47	64	275	279
	261	50	64	375	416

**11.4 Employee emoluments**

	Parish	Central Diocese	Schools	TOTAL	2021
Between £60,001 and £70,000		1		1	1
Between £70,001 and £80,000		2		2	2
Between £80,001 and £90,000		1		1	
Between £90,001 and £100,000		1		1	1
Between £100,001 and £110,000					1
Between £110,001 and £120,000		1		1	

**12. TRUSTEES INFORMATION**

The Trustees comprise four priests, one religious and six lay people as shown on page 2 of the Report. The priests receive income for their office together with living accommodation, living expenses and reimbursement of costs incurred on the same basis as other Diocesan priests. No Trustee receives any remuneration or benefits from his/her Trusteeship other than cover under the indemnity insurance purchased by the charity. No Trustee fees or expenses were paid in 2022 (2021 £Nil).

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 13. TANGIBLE FIXED ASSETS

	2022			2021
	Freehold £'000	Contents £'000	Total £'000	Total £'000
<b>COST OR VALUATION</b>				
At 1 January	71,616	242	71,858	74,191
Additions	876	13	889	1,279
Disposals	(848)	(28)	(876)	(3,612)
At 31 December	71,644	227	71,871	71,858
<b>DEPRECIATION</b>				
At 1 January	17,236	142	17,378	17,923
Charge for year	-	89	89	119
Disposals	(27)	(28)	(55)	(664)
At 31 December	17,208	203	17,411	17,378
<b>NET BOOK VALUE</b>				
At 31 December 2022	54,436	24	54,460	54,480
At 1 January 2022	54,380	100	54,480	56,268

The Diocese has 41 maintained (voluntary aided) schools constituted as separate charities. In addition, two Multi-Academy Trusts have been established as separate charities. A total of 23 Academies have joined the Trusts. The school properties (land and buildings) are vested in the Diocesan Trustees or the Trustees of three connected charities. Their value is estimated at £800 million. These 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 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 consider that, for the purposes of these Financial Statements, the nature of their ownership is that of a custodianship and therefore these properties have not been capitalised. The Diocese leases land and buildings at two of these schools from Religious Orders. A further school is a joint Anglican/Roman Catholic foundation. The Diocesan Directory lists all 65 maintained schools and Academies owned, leased or jointly administered by the Diocese. Apart from a small proportion used for management and administration, all fixed assets are used in direct furtherance of the charity's objects. Assets of Trusts are consolidated with the Diocesan accounts under Charity Commission uniting directions. St Joseph's Specialist School and College in Cranleigh is held by a separate charity.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 14. INVESTMENTS

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Listed Investments	27,671	36,848
Cash Deposits	3,073	1,651
<b>TOTAL INVESTMENTS</b>	<b>30,744</b>	<b>38,499</b>

#### Summary of investments

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
OPENING VALUATION 1 Jan 2022	38,499	36,957
Acquisitions at Cost	7,195	7,137
Proceeds of Sales less fund management fees	(7,581)	(6,711)
(Losses)/Gains during the year	(7,369)	1,116
<b>CLOSING VALUATION 31 Dec 2022</b>	<b>30,744</b>	<b>38,499</b>

#### 15. DEBTORS

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Advances to schools (£292k due after one year)	442	576
Gift Aid Small Donations Scheme grant	-	191
Inter Diocese Balances	239	174
Other Debtors and Prepayments	1,323	895
	<b>2,004</b>	<b>1,836</b>

#### 16. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Parish Collections, Supplies and Accruals	508	445
Fees Paid in Advance	100	185
Inter Diocese Balances	239	174
Other Creditors	734	1,066
Government capital funding for allocation to schools	1,177	1,458
	<b>2,758</b>	<b>3,328</b>

#### 17. FUNDS NET ASSET ANALYSIS 2022

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

	Tangible assets £'000	Investments £'000	Net current assets £'000	2022 £'000
<b>UNRESTRICTED</b>				
Parishes	34,651	6,044	12,580	53,275
Central Diocese	10,934	17,278	(6,526)	21,686
Schools	1,527	-	16	1,543
	47,112	23,322	6,070	76,504
<b>RESTRICTED</b>				
Parishes	1,926	979	3,555	6,460
Central Diocese	211	939	618	1,768
Schools		-	52	52
	2,137	1,918	4,225	8,280
<b>ENDOWMENT</b>				
Parishes	4,890	5,060	98	10,048
Central Diocese	321	444	1	766
	5,211	5,504	99	10,814
<b>TOTAL FUNDS</b>	<b>54,460</b>	<b>30,744</b>	<b>10,394</b>	<b>95,598</b>

### FUNDS NET ASSET ANALYSIS 2021

	Tangible assets £'000	Investments £'000	Net current assets £'000	2021 £'000
<b>UNRESTRICTED</b>				
Parishes	34,807	7,023	12,331	54,161
Central Diocese	10,881	22,198	(8,424)	24,655
Schools	1,603	-	(343)	1,260
	47,291	29,221	3,564	80,076
<b>RESTRICTED</b>				
Parishes	1,926	1,189	3,065	6,180
Central Diocese	211	1,173	778	2,162
Schools	-	-	52	52
	2,137	2,362	3,895	8,394
<b>ENDOWMENT</b>				
Parishes	4,731	6,361	249	11,341
Central Diocese	321	555	-	876
	5,052	6,916	249	12,217
<b>TOTAL FUNDS</b>	<b>54,480</b>	<b>38,499</b>	<b>7,708</b>	<b>100,687</b>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 18. FUNDS ANALYSIS 2022

		Opening balance £000s	Income £000s	Expenditure £000s	Investment gains / (losses) £000s	Transfers £000s	Closing balance £000s
<b>UNRESTRICTED GENERAL FUNDS</b>							
Parishes (see note)							
Central		7,006	1,175	(4,602)	(4,254)	2,360	1,685
Schools		(343)	1,880	(1,508)	-	-	29
		6,663	3,055	(6,110)	(4,254)	2,360	1,714
<b>UNRESTRICTED DESIGNATED FUNDS</b>							
Parishes (see note)							
Central		54,161	12,322	(9,742)	(1,312)	(2,154)	53,275
	Retired priests	4,043	151	(397)	-		3,797
	Ecclesiastical education	666	151	(90)	-		727
	Clergy formation	-	1,500	-	-		1,500
	Mission fund	-	1,170	-	-		1,170
	Fixed Assets	12,364	-	-	-		12,364
	Advances	576	-	-	-	(134)	442
Schools	Fixed Assets	1,603	-	(89)	-		1,514
		73,413	15,295	(10,229)	(1,312)	(2,288)	74,790
		80,076	18,350	(16,339)	(5,566)	72	76,504
<b>TOTAL UNRESTRICTED FUNDS</b>							
<b>RESTRICTED FUNDS</b>							
Parishes							
	Parishes within Diocesan Trust	3,117	1,724	(1,222)	(40)	-	3,579
	Trusts connected with Parishes	2,434	5	(5)	(104)	-	2,330
	Endowment trusts restricted income	629	57	(23)	(62)	(50)	551
		6,180	1,786	(1,250)	(206)	(50)	6,460
Central							
	Poor	567	-	(32)	(113)	-	422
	Lourdes Pilgrimage	622	134	(146)	-	-	610
	Foundation Masses	612	15	-	(121)	-	506
	UBS Chaplaincies	116	35	(172)	-	-	(21)
	Others	34	12	(6)	-	-	40
	Trusts connected with Central	211	-	-	-	-	211
		2,162	196	(356)	(234)	-	1,768
Schools							
	Catholic Education promotion	52	-	-	-	-	52
		8,394	1,982	(1,606)	(440)	(50)	8,280
<b>TOTAL RESTRICTED FUNDS</b>							
<b>ENDOWMENT FUNDS</b>							
Parishes							
	Parishes within Diocesan Trust	1,181	-	-	(222)	-	959
	Trusts connected with Parishes	10,160	-	(19)	(1,030)	(22)	9,089
		11,341	-	(19)	(1,252)	(22)	10,048
Central							
	Episcopal administration	423	-	-	(110)	-	313
	Ecclesiastical education	131	-	-	-	-	131
	Trusts connected with Central	322	-	-	-	-	322
		876	-	-	(110)	-	766
<b>TOTAL ENDOWMENT FUNDS</b>							
		12,217	-	(19)	(1,362)	(22)	10,814
<b>TOTAL ALL FUNDS</b>							
		100,687	20,332	(17,964)	(7,368)	-	95,598

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### Unrestricted designated funds

The Trustees have set aside designated funds out of unrestricted funds to ensure that certain activities or responsibilities of the Trust are adequately financed.

- Parishes - in Canon Law each parish has a distinct legal personality and is administered by the parish priest under the authority of the Bishop. In Canon Law a parish can acquire and dispose of assets in its own right. The Trustees regard parish unrestricted funds as designated funds. Parishes transferred £2.2 million to the Central Diocese to support Central activities.
- Retired Priests - to support priests in retirement with accommodation and nursing needs.
- Ecclesiastical Education - for the education of students to the priesthood and continuing formation.
- Fixed Assets – for the provision of land and buildings for use in the activities of the Diocese. A separate fund is designated for fixed assets used by Schools.
- Advances – to provide long-term loans to schools to finance development programmes.

At the end of 2022, St John's Seminary CIO donated £2.67 million to the Diocese following the sale of the seminary. Two new funds have been designated to receive this donation. Trustees determined that £1.5 million should be ringfenced strictly for clergy formation (including ongoing formation) and the fostering of vocations. The remaining receipt has been allocated to a new diocesan Mission fund, which will be used for projects that support the implementation of the Pastoral Plan, with its emphasis on lay formation and evangelisation.

#### Restricted funds

In the Parishes these mainly relate to funds raised for specific parish building projects.

In the Central Diocese funds are restricted for the following purposes:

- Poor - Aid to poor religious orders and laity
- Foundation Masses - Clergy stipends for Masses celebrated on the anniversary of the deceased
- Universities of Brighton & Sussex Chaplaincies - created from donations from Trust to maintain Chaplaincy building and facilities
- Lourdes Pilgrimage – for promoting and organising pilgrimages to Lourdes

#### Permanent endowment funds

Eight parishes have connected permanent endowment trusts for their support. See note 19.

The Trustees have adopted a total return approach to the Scawen Blunt permanent endowment investment portfolio. The brought forward value of investments at 1 Jan 2022 of £2,948,960 was analysed between capital £775,138 and unapplied total return £2,173,822. During the year £28,760 of the unapplied total return was allocated to the income fund and withdrawn from the investment fund to be used for charitable purposes. At the year end the fund was valued at £2,808,936, comprising capital of £775,138 and unapplied total return of £1,533,798.

In the Central Diocese permanent endowment trusts exist for Episcopal Administration – the support of the Bishop's establishment and office and Ecclesiastical Education – the training of students to the priesthood. The Buckley Trust provides support for retired priests.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 18. FUNDS ANALYSIS 2021

	Opening balance £000s	Income £000s	Expenditure £000s	Investment gains / (losses) £000s	Transfers £000s	Closing balance £000s
<b>UNRESTRICTED GENERAL FUNDS</b>						
Parishes (see note)						
Central	5,114	2,739	(3,223)	800	1,576	7,006
Schools	(471)	2,217	(2,011)	-	(78)	(343)
	4,643	4,956	(5,234)	800	1,498	6,663
<b>UNRESTRICTED DESIGNATED FUNDS</b>						
Parishes (see note)	52,686	11,039	(7,834)	(19)	(1,711)	54,161
Central						
Retired priests	4,277	-	(383)	-	149	4,043
Ecclesiastical education	608	-	(91)	-	149	666
Fixed Assets	12,364	-	-	-	-	12,364
Advances	712	-	-	-	(136)	576
Schools						
Fixed Assets	1,525	-	-	-	78	1,603
	72,172	11,039	(8,308)	(19)	(1,471)	73,413
	76,815	15,995	(13,542)	781	27	80,076
<b>TOTAL UNRESTRICTED FUNDS</b>						
<b>RESTRICTED FUNDS</b>						
Parishes						
Parishes within Diocesan Trust	2,883	1,062	(830)	2	-	3,117
Trusts connected with Parishes	2,426	6	(17)	19	-	2,434
Endowment trusts restricted income	648	44	(39)	10	(34)	629
	5,957	1,112	(886)	31	(34)	6,180
Central						
Poor	625	-	(87)	29	-	567
Retired Priests	-	69	(69)	-	-	-
Lourdes Pilgrimage	635	50	(63)	-	-	622
Foundation Masses	574	20	-	18	-	612
Ecclesiastical Education	-	58	(58)	-	-	-
Education	169	5	(198)	24	-	-
UBS Chaplaincies	127	-	(11)	-	-	116
Others	17	17	-	-	-	34
Trusts connected with Central	211	-	-	-	-	211
	2,358	219	(486)	71	-	2,162
Schools						
Catholic Education promotion	52	-	-	-	-	52
	8,367	1,331	(1,372)	102	(34)	8,394
<b>TOTAL RESTRICTED FUNDS</b>						
<b>ENDOWMENT FUNDS</b>						
Parishes						
Parishes within Diocesan Trust	1,143	-	-	38	-	1,181
Trusts connected with Parishes	9,999	-	(24)	178	7	10,160
	11,142	-	(24)	216	7	11,341
Central						
Episcopal administration	418	-	-	5	-	423
Ecclesiastical education	119	-	-	12	-	131
Trusts connected with Central	322	-	-	-	-	322
	859	-	-	17	-	876
<b>TOTAL ENDOWMENT FUNDS</b>						
	12,001	-	(24)	233	7	12,217
<b>TOTAL ALL FUNDS</b>						
	97,183	17,326	(14,938)	1,116	-	100,687

#### 19. CONNECTED TRUSTS

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

Trust	Beneficiary	Nature	Opening balance £'000	Income £'000	Expenditure £'000	Investment gains / (losses) £'000	Transfers £'000	Closing balance 2022 £'000
<b>RESTRICTED</b>								
Ashburnham	Battle	Land and investments	752	5	(5)	(104)	-	648
Elmer	Retired priests	Land	211					211
Gaisford	Worthing	Land	10					10
Grant	St Leonard's	Land	135					135
Hyland	Godalming	Land	58					58
Munster	Keymer	Land	39					39
Norfolk	Dorking	Land	2					2
Norfolk	Horsham	Land	934					934
Salvin	Sutton Park	Land	246					246
Stacpole	Caterham	Land	258					258
			<b>2,645</b>	<b>5</b>	<b>(5)</b>	<b>(104)</b>	<b>-</b>	<b>2,541</b>
<b>PERMANENT ENDOWMENT RESTRICTED INCOME</b>								
Bedingfeld	Duncton	Investments	23	3				26
Biddulph Education	Duncton	Investments	48	8	(12)			44
Buckley	Retired priests	Land and investments	-					-
Cemetery	Burwash	Land and investments	-					-
Hope	Hérons Ghyll	Land and investments	34	4				38
Lang	Oxted	Land and investments	-					-
Leslie	Slindon	Land and investments	5	7	(7)			5
Norfolk	Angmering	Land and investments	475	4	(4)	(62)	(12)	401
Norfolk 1901	Littlehampton	Investments	8	2				10
Norfolk Cemetery	Arundel	Land and investments	-					-
Norfolk Cemetery	Houghton	Land and investments	27					27
Scawen Blunt	Crawley	Land and investments	9	29			(38)	-
			<b>629</b>	<b>57</b>	<b>(23)</b>	<b>(62)</b>	<b>(50)</b>	<b>551</b>
<b>PERMANENT ENDOWMENT</b>								
Bedingfeld	Duncton	Investments	273		(1)	(56)		216
Biddulph	Duncton	Land	1					1
Biddulph Education	Duncton	Investments	717		(3)	(146)		568
Buckley	Retired priests	Land	322					322
Cemetery	Burwash	Land and investments	6					6
Hope	Hérons Ghyll	Land and investments	419		(2)	(84)		333
Lang	Oxted	Land and investments	1,161					1,161
Leslie	Slindon	Land and investments	582		(1)	(86)		495
Norfolk	Arundel	Land	799					799
Norfolk	Littlehampton	Land	168					168
Norfolk 1901	Littlehampton	Investments	306		(1)	(42)		263
Norfolk Cemetery	Arundel	Land and investments	881			(11)		870
Norfolk Cemetery	Houghton	Land and investments	9			(5)		4
Pauling	Effingham	Land	647					647
Scawen Blunt	Crawley	Land and investments	4,191		(11)	(600)	(22)	3,558
			<b>10,482</b>	<b>-</b>	<b>(19)</b>	<b>(1,030)</b>	<b>(22)</b>	<b>9,411</b>
<b>TOTAL CONNECTED TRUSTS</b>			<b>13,756</b>	<b>62</b>	<b>(47)</b>	<b>(1,196)</b>	<b>(72)</b>	<b>12,503</b>

In addition, the following trusts comprise land holdings only for schools and/or cemeteries:

St Joseph's primary school trust in Haywards Heath

Fairlight cemetery trust near Hastings (permanent endowment)

Marist primary school trust in West Byfleet

Education trust for Diocese

Norfolk trust for school and cemetery in Angmering

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 20. COMMITMENTS GUARANTEES AND CONTINGENCIES

**Capital commitments:** At 31 December 2022 there were no capital commitments on Parish properties, maintained or independent schools (2021 Nil).

**Contingent Liability:** The Diocese provides support to its retired priests, in line with established Diocesan practice and in accordance with Canon Law requirements. In the opinion of the Trustees, this constitutes a constructive obligation, as defined by the Charities SORP (FRS 102). The amount of this obligation cannot be measured with sufficient reliability as the support required by individual priests will vary considerably, particularly depending on whether any third-party care is needed.

#### 21. SUBSIDIARY COMPANIES

##### **DIOCESE OF ARUNDEL & BRIGHTON (BUILDING SERVICES) LIMITED**

The wholly owned trading subsidiary was incorporated in the United Kingdom in 1991 (Reg No 2576444). The company manages building contracts on behalf of the Diocese. The Diocese owns all the issued share capital of two ordinary shares. A summary of the trading results is shown below.

All the turnover of the Diocese's wholly owned subsidiary, the Diocese of Arundel & Brighton (Building Services) Limited, represents sales of building construction to the Diocese. The subsidiary has no material net assets or liabilities and there is therefore no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary. The charity and its subsidiary are not consolidated. This company is dormant and has not traded since 2016.

##### **Arundel and Brighton Lourdes Pilgrimage Limited**

The wholly aimed trading subsidiary was incorporated in the United Kingdom (Reg no 2998831). The pilgrimage to Lourdes was unable to proceed in 2020 and 2021 because of travel restrictions arising from the coronavirus pandemic. The company directors resolved to wind up the company in 2021 and its trade, assets and liabilities were transferred to the Diocese trust in the year. The total net liabilities transferred was (£1,938) in 2021. It is anticipated that this company will be struck off during 2023.

#### 22. Related party Transactions

Insofar as the trustees are aware, there are no matters required to be reported other than that already shown in the accounts.

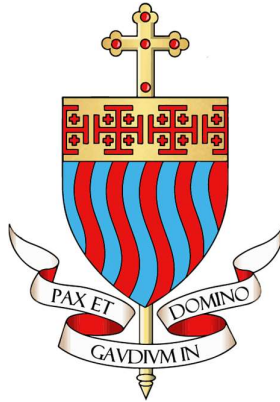
**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

England & Wales - Charity number 252878

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# Accounts

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ARUNDEL & BRIGHTON  
DIOCESAN TRUST

Registered Charity No. 252878

Annual Report & Accounts

Incorporating Thirty Connected Trusts under  
Charity Commission Uniting Directions

**For the year ended 31 December 2021**

The St Philip Howard Centre, 4 Southgate Drive, Crawley  
West Sussex RH10 6RP

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2021

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### **CONNECTED TRUSTS UNDER CHARITY COMMISSION UNITING DIRECTIONS**

#### **Trusts Linked to Diocesan Trust on Charity Commission website**

Battle Ashburnham	252878 - 1
Diocese Buckley	252878 - 2
Slindon Leslie	252878 - 3
Littlehampton Norfolk	252878 - 4
Littlehampton Norfolk 1901	252878 - 5
Diocese Education	252878 - 6
Duncton Bedingfeld	252878 - 7
Hérons Ghyll Hope	252878 - 8
Crawley Scawen Blunt	252878 - 9
Duncton Biddulph	252878 - 10
Arundel Norfolk	252878 - 11
Houghton Norfolk Cemetery	252878 - 12
Arundel Norfolk Cemetery	252878 - 13
Duncton Biddulph Education	252878 - 14
Angmering Norfolk	252878 - 15

#### **Other Trusts**

Burwash Cemetery  
Caterham Stacpole  
Dorking Norfolk  
Effingham Pauling  
Godalming Hyland  
Hastings Fairlight Shadwell Cemetery  
Horsham Norfolk  
Keymer Munster  
Oxted Lang  
St Leonards Grant  
Sutton Park Salvin  
West Byfleet Marist School  
Worthing Gaisford

#### **The following Trusts consolidated their accounts with the Diocese's by resolution of their Trustees:**

Diocese Elmer  
Haywards Heath St Joseph's School

### **LEGAL AND ADMINISTRATIVE DETAILS**

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### TRUSTEES:

Right Reverend Richard Moth, Bishop of Arundel and Brighton – Chair  
P Bergin  
Sr J Bertelsen  
P Burgess OBE, DL, KSG, KGCHS  
Reverend Father J How  
J Lydon  
K Maloney  
Reverend Canon J S Martin VG  
Reverend Canon K J O'Brien  
C Wordsworth  
Reverend Deacon MC Thoms (resigned 31 March 2021)

#### Secretary to Trustees:

Mrs S M Kilmartin

#### DIOCESAN OFFICE:

The St. Philip Howard Centre  
4 Southgate Drive  
Crawley  
West Sussex  
RH10 6RP

#### FINANCE COMMITTEE:

Reverend Father J How – Chair

Mr P Bergin ACA  
Mrs N Bryson MA, ACA  
W Connell FCMA  
J Cornish FRICS  
Reverend Deacon P Gately FIA  
Mr Patrick Gloyens (appointed 23 September 2021)  
Mrs I Wragg FRICS

#### KEY MANAGEMENT PERSONNEL:

Chief Operating Officer: Mrs S M Kilmartin BA ACA  
Director, Education Service: Ms M Ryan BA, MA, MCIL

#### ADVISERS

#### AUDITORS:

Moore Kingston Smith LLP  
6<sup>th</sup> Floor 9 Appold Street  
London EC2A 2AP

#### SOLICITORS:

DMH Stallard  
Gainsborough House  
Pegler Way  
Crawley  
West Sussex RH11 7FZ

#### INVESTMENT MANAGERS:

Joh. Berenberg, Gossler & Co. KG  
60 Threadneedle Street  
London EC2R 8HP

#### BANKERS:

HSBC Bank plc  
69 Pall Mall  
London SW1Y 5EY

#### INSURANCE MANAGERS:

Catholic Insurance Service Ltd  
Suite 5, Oxford House  
Oxford Road  
Thame OX9 2AH

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

The Arundel and Brighton Diocesan Trust is a charity established by a Trust deed dated 19th May 1967 as amended 14th November 1967 and 4th December 1998. The charity is registered with the Charity Commission of England and Wales (No. 252878).

The Trustees present their report and financial statements for the year ended 31 December 2021.

#### **OBJECTIVES AND ACTIVITIES**

The Diocese is a portion of the People of God, defined by its territories – in this case, the city of Brighton & Hove, the counties of East and West Sussex and Surrey outside the London Boroughs. The Diocese serves its people through our 85 Parishes, 64 schools and the Diocesan central agencies. The aim of the Diocese is, in accordance with the objectives of the charity, the advancement of the Roman Catholic religion and education.

The Diocese gathers principally through the worship of God and through prayer. This is the foundation of its work and, built on this foundation, the Diocese brings its people together for formation in the Roman Catholic religion. This work of formation is carried out in a number of ways: in Parishes; at diocesan level through conferences and courses and Cathedral liturgies; through the provision of retreats; through the work of its schools. This formation enables the people of the Diocese to exercise the mission of the church. This is carried out in myriad ways through social outreach, especially to the poor and disadvantaged – often at Parish and local level; through provision of courses for those who may wish to explore Faith; through support of the work of the Church in other parts of the world.

In order to achieve these aims, a number of strategies are put in place by the Trustees. These include support for 85 Parishes and 64 Catholic schools serving some 30,000 pupils. A large diocesan pilgrimage to Lourdes is undertaken each year (subject to travel restrictions during the last 2 years of the pandemic). Chaplaincy services are provided for universities, hospitals, hospices and prisons.

The achievement of these aims fulfils the legal purposes of the charity and impacts on society at a number of levels. The young are enabled to take a responsible place in society, enriching it through their way of life; care is provided to those who are in hospital, elderly or housebound; to those in prison and to those who live with disability. Family life is fostered and supported. Support is given to the bereaved through a network of trained bereavement counsellors. The outreach of the Diocese enables many others to avail themselves of the social support offered by the Church. The effect of the Diocese's work beyond its boundaries has a deep impact on those living in the poorer parts of the world. A particular impact in recent years has been achieved in the support of refugees and through a project to encourage people in the care of the natural world and its resources.

The Bishop has oversight of the whole Diocese, achieved through visitations of Parishes, schools and the various operations of the Diocese referred to above. He is aided in this through the work of a number of consultative bodies and by Deans who have pastoral oversight of groupings of Parishes.

The schools of the Diocese are subject to both OFSTED and Catholic School Inspections and are very well supported by the Diocesan Education Service.

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

##### **Service by Volunteers**

Much of the activity of the Diocesan Trust is carried out by volunteers. Typically, between 10% and 20% of any parish community will be actively engaged in such activity, either in parish initiatives or through the service offered by other Catholic organisations that are present across the Diocese and beyond. The Diocesan Trustees, parish clergy and diocesan central staff value this engagement, which is an intrinsic part of the life of the Church.

##### **Grant making policy**

The Diocesan Trust is not primarily a grant making charity. Most grants are of modest size. Occasional larger grants are made by The Trustees, most often to Catholic schools to assist with capital projects.

##### **Public benefit**

The Trustees confirm that they have complied with the duty in the Charities Act 2011 section 17 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity. The public benefit provided by the Charity includes the provision of religious ceremonies (such as baptisms, weddings and funerals), maintaining religious burial grounds, celebrating public Masses, and providing and maintaining places of worship. There is also a benefit to the general public as churches can be accessed by people of all faiths and none, for personal spiritual contemplation. Catholic schools and parishes are communities which contribute to the moral and spiritual wellbeing of those who participate. From these centres educational, social and pastoral work is carried out as a practical expression of faith. All of these contribute to the wellbeing of civic society in our country.

#### **ACHIEVEMENTS AND PERFORMANCE**

As in 2020, the period covered by this report has been marked by the on-going Covid-19 pandemic. However, with the situation changing in the second part of the year, there has been a slow progression towards greater activity in parish communities, with people returning to Church on Sundays and events taking place once more across the Diocese. The ways in which parishes and schools have continued to respond to the challenges of the pandemic are worthy of recognition, notably through the continuing provision of livestreaming and flexibility in the delivery of formation programmes.

The Diocese has continued to administer a Voucher Scheme, funded through a Charitable Trust that has supported the Catholic Church across England & Wales. This has proved to be a very significant assistance for many families, especially in the more socially challenged parts of the Diocese across the South Coast.

The success of our events and programmes is evaluated in a variety of ways, with attendance and engagement of the faithful a key measure, along with qualitative feedback received from participants. The Diocesan Formation Team provided a very effective on-line Mission in Lent 2021, with a number approaching 10,000 engaging in the webinars and on-line gatherings that were offered. Further reference to this model is made elsewhere in this report.

The development of the two Multi-Academy Trusts continues in a steady way, with appropriate due diligence assured at every stage.

The central staff of the Diocese has continued to make use of on-line forms of training to ensure best practice. The Safeguarding work of the Diocese has responded to changes in national provision for the Catholic Church

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

in England & Wales, including the change from a Safeguarding Commission to the newly-required Sub-Committee of the Diocesan Trustees for Safeguarding. Training in safeguarding has continued throughout the time of the pandemic using virtual platforms and is again being offered through regular gatherings.

As was the case in 2020, the Diocesan Pilgrimage to Lourdes unable to travel in 2021, due to the restrictions imposed by the pandemic. A 'virtual pilgrimage' was arranged, drawing many people from across the Diocese together in prayer and in support for the life of the Shrine in Lourdes.

#### **FINANCIAL REVIEW**

Before taking into account the investment gains, there was a surplus of £2.4 million. Income increased in the year to £17.3 million (2020 £13.9 million). The improvement in revenue of £3.5 million compared to 2020 was a result of gains on property disposals, which increased by £1.9 million and a growth in activity income of £0.8 million, legacy income was up by £0.5 million. Offertory: collections increased by £0.6 million. Expenditure increased in the year to £14.9 million (2020 £14.2 million), caused mainly by an increase in grants. The net surplus for the year was £3.1 million (2020 £3.4 million). There was a cash inflow of £3.7 million (2020 £1.2 million) due to the receipts from property sales. Overall Diocesan funds increased to £100.6 million (2020 £97.2 million).

The income and expenditure of the Diocesan Trust is set out in three principal components: Parishes, Central Diocese and Schools. The basis of charitable expenditure is made by reference to the objectives of the charity: the advancement of the Roman Catholic religion and education. The thirty connected Trusts are incorporated into the results for the area of the Diocese to which they relate. Twenty-eight of the connected Trusts provide the land and church buildings for Parishes who maintain the properties and two are linked to activities of the Central Diocese (care for retired priests).

The financial statements comply with the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), and are in accordance with the accounting policies of the Diocese.

The majority of funds in the charity are raised and expended within each individual Parish or centre activity in support of its work. In addition to financing their own activities, Parishes also support the Diocese through the transfer of funds to cover both general and specific activities of the Diocese.

#### **Parishes**

The net surplus in funds before transfers was £3.6 million (2020 £3.3 million). Income was £12.1 million compared with last year's £10.5 million due to improvements in offertory collections, legacies and trading activities, as well as a £0.8 million improvement in gains on property sales. Expenditure increased to £8.7 million (2020 £8.5 million) due to an increase in projects and activities. Parishes contributed £1.7 million to the central costs of the Diocese through transfers (2020 £2.1 million).

Most of the costs incurred in the Parishes were attributed to the primary activity of the Diocese: advancement of the Roman Catholic faith.

Parish net assets benefitted from a positive year end valuation of investments, which increased in value by £0.2 million (2020 £1.3 million). The overall surplus at year end was £1.9 million (2020 £1.2 million). Parish

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

funds increased to £71.7 million (2020 £69.8 million). Tangible fixed assets at cost less any depreciation were £41.5 million at year end, a decrease of £0.3 million on last year's £41.8 mi.

#### **Central Diocese**

Income and expenditure in the Central Diocese were broadly consistent with the prior year, with income of £2.9 million (2020 £1.9 million) and expenditure of £4.2 million (2020 £4.4 million) Income transferred in from Parishes at £1.7 million was reduced from last year (2020 £2.1 million). Investments benefitted at the year end with a gain in value of £0.9 million (2020 £2.5 million). The largest cost in the Central Diocese was staffing. The overall funds of the Central Diocese increased to £27.7 million (2020 £26.3 million) with £7.0 million in unrestricted funds excluding designated reserves. Tangible assets accounted for £11.4 million of Central Diocese funds, a reduction from £12.9 million funds at the prior year end. This reduction was mainly due to the sale of St Cuthman's.

#### **Schools**

Sacred Heart Preparatory School in Wadhurst and three Parish pre-schools operated within the Diocesan Trust and their results are reflected in these accounts. Pre-schools operate in the parishes of Chichester, Crawley and Haywards Heath. Total unrestricted funds were negative £0.3 million due to overdrafts at Wadhurst and Crawley (2020 £0.4 million). These overdrafts arose from planned capital works in previous years and are being managed downwards. Tangible assets account for £1.6 million (2020 £1.5 million).

#### **Risk Assessment and Risk Management**

During 2021 the Diocesan Trustees continued their oversight of the major risks to which the Trust is exposed. A new Risk Policy was adopted by Trustees to ensure that key strategic risks are reviewed at each meeting. The measures that have been put in place by Trustees and through the work of the Bishop and Episcopal Council maintain a careful watch on areas of risk.

The Safeguarding team continues training and monitoring activities to address the risk of safeguarding failures in relation to children and vulnerable adults. Their work is overseen by Trustees through the Safeguarding sub-committee. Health and Safety risks are overseen by a Health and Safety sub-committee. A cloud-based Health and Safety system is in use, allowing monitoring and support of parish compliance in this area.

The Trustees have focused particular attention on the key strategic risks facing the Diocese. These relate to the increasing burden on priests and Deans due to their greater responsibilities, and the increased average age of clergy. Strategic risk is also recognised in relation to major issues that could cause failure in our Multi-Academy Trusts, and by the risk of abuse. The ongoing oversight of the Education Service and Safeguarding team addresses the risks relating to schools and the risk of abuse.

#### **Investment Policy and Performance**

The Trust deed authorises the Trustees to make and hold investments using the general funds of the Diocese. The investment objective is that the real value of the Trust's assets should be maintained and enhanced over the long term to service the needs of the Trust. The overall risk is assessed to be medium, when viewed with the property and cash assets of the Trust.

The investment managers (Berenberg) manage the day to day management of the various Trust funds on a discretionary basis in line with the Diocesan Statement of Investment Principles (SIP). The SIP outlines the features of the Trust's two investment portfolios, the Multi Asset Investment Fund 1 (MAIF 1) and the Multi

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

Asset Investment Fund 2 (MAIF 2). These differ in risk profile, with the first MAIF taking a medium/high approach to risk, balancing income and capital growth. MAIF 2 takes a low/medium approach to risk, with a focus on capital preservation. Target investment returns have been set at CPI+ 3.0% per annum for MAIF 1 and CPI+ 1.5% per annum for MAIF 2.

The ethical policy expressed in the SIP stipulates that investments will not be purchased in companies where arms, tobacco, pornography or gambling make up more than 5% of turnover or where contraception makes up more than 10% of turnover. This restriction ensures that the Diocese will not be invested in companies dedicated to these products and services but allows investment in sectors such as retail, where a low percentage of trading may relate to these items. The SIP requires that no investments can be held in companies that perform abortion services or conduct research using foetal matter, and that the investment managers will only invest in companies with responsible lending policies. The ethical investment policy outlined in the SIP precludes holdings in companies engaged with the extraction or refining of Fossil Fuels.

The investment objectives for the connected Trusts are the same as those for the Diocese, and their portfolios are managed by Berenberg according to the risk approach of individual Trustees, with some preferring the low/medium risk profile of MAIF 2.

During the year an investment gain of £1.1 million arose (2020 £3.4 million). This was in line with the market.

#### **Reserves Policy**

The total funds are £100.7 million, of which £13.8 million relate to the connected Trusts.

Restricted funds total £8.3 million (Diocese £2.1 million and Parish and connected Trusts £6.2 million), particulars of which are set out in Notes 18 and 19 to the accounts. Permanent Endowment funds total £12.2 million (Diocese £0.9 million and connected Trusts £11.3 million), with particulars also set out in Notes 18 and 19 to the accounts.

Designated funds, wholly held by the Diocese, are £73.4 million and comprise the general unrestricted funds of the individual Parishes, £54.2 million and other designated funds totalling £19.2 million, of which the most substantial is the fixed asset fund of £12.4 million, followed by the retired priests' fund of £4.0 million.

In Canon Law the Parishes have the right to acquire, retain, administer and alienate temporal goods. While the unrestricted funds of the individual Parishes could therefore be regarded as restricted at the Diocesan level, this might not be consistent with the civil law status of the Diocese as a single entity. In order to respect the special nature of these funds, the Trustees have designated these funds as relating to the individual Parishes from which they are derived.

The funds held by each of the 85 Parishes need to be held in order to provide working funds, to meet future expenditure (particularly on property maintenance) that will not be met by future income and, in some cases, to accumulate funds for a building programme. The properties held by Parishes comprise the Parish church or churches and, in most cases, a hall and presbytery. The maintenance costs of these properties can be substantial and frequently unpredictable. Excluding tangible fixed assets, the average amount of unrestricted funds held by Parishes is £215k (2020 £208k). The actual amounts held vary significantly above and below this average, but Parishes with funds surplus to immediate foreseeable requirements are able to provide support to Parishes in need of assistance, either directly or through the Diocese.

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

The unrestricted funds of the Trust are also utilised to provide land and buildings for both Central Diocese and the Schools. These funds are held in designated Fixed Asset funds of £12.4 million and £1.5 million respectively.

As stated in note 21, the Trustees consider that there is a constructive obligation to support priests in their retirement, but the provision required cannot be measured with sufficient reliability. The Trustees consider, however, that it is necessary to designate funds based on their best estimate of the possible future requirement. The designated fund for retired priests (£3.9 million at the year-end) is intended to provide (i) a fund to meet the cost of support of already retired priests and (ii) a fund that, with future transfers to the fund, will meet the cost of support in retirement for all currently serving priests, in both cases allowing for future inflation and interest. With further replenishment, the fund is projected to be expended over the lifespan of currently serving and retired priests.

The fund designated for Ecclesiastical Education is largely derived from donations from Parishes for the express purpose of ecclesiastical education. As these are intra-Trust donations they cannot be treated as restricted but, in order to respect the special nature of these funds, the Trustees have designated them accordingly. The fund was £0.6 million at year-end and is adequate, at present levels of expenditure, to cover the relevant costs for approximately five years.

The total of funds that can be realised only by disposing of tangible fixed assets is £54.4 million. These amounts are reflected in restricted, endowment and designated funds (i) as part of the overall funds of Parishes that are designated at Diocesan level and (ii) by a designated fund of the Central Diocese.

The reserves held after making allowance for any restricted funds, and the amount of designations, commitments (not provided for as a liability in the accounts) or the carrying amount of functional assets totalled £6.4 million. Although capable of utilisation across the relevant entities, these reserves were held as to (£0.3 million) by the Schools and £6.7 million by the Central Diocese.

The parish pre-schools reserves are not adequate to ensure their ongoing financial stability, and the three parishes that continue to run pre-schools will underwrite their liabilities with parish reserves. The overdraft at Sacred Heart School has been incurred in relation to property projects approved by the Diocesan Finance Committee, with a repayment schedule agreed.

The net costs of the Central Diocese are met in part by levies on parishes. Reserves are required to meet shortfalls in the income needed to meet current levels of expenditure. They are also needed to provide funding, by way of loans and/or grants to parishes and schools, principally for building and other development projects.

The Trustees have not determined a fixed amount of general reserves that are needed but consider that the reserves need to be maintained at least at the present level in order to meet possible shortfalls in income. The reserves need to be increased in order to be able to respond to requests from schools and Parishes for building and development funding, which is at present constrained by the level of reserves.

#### **FUTURE PLANS**

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **REPORT OF THE CHARITY TRUSTEES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

While it may be the case that the Covid-19 pandemic is now having a lower impact on daily life, its impact will continue to be felt for some time. Engagement with parish communities regarding future provision will continue, with appropriate steps being taken when necessary.

The work of the Formation Team will continue to be a key element in the support of the Charity's mission. In addition to the work of the formation, the social action of the Diocese will continue to see a particular focus on the needs of refugees who will be coming to Surrey and Sussex.

Mention has already been made of the Diocesan Lourdes Pilgrimage. This will take place in 2022. In addition, the visit of the Relics of St. Bernadette to this country in the Autumn of 2022 will provide an important focus for the life and mission of the Diocese, with three celebrations taking place in different parts of the Diocese.

The Trustees, having given the matter careful consideration, have taken further the work of bringing the Diocesan Offices onto one site. This will come to fruition in 2022, with all the Diocesan Offices being relocated to The St. Philip Howard Centre during the Summer months. This will bring about much improved communications between the various departments and, in the longer term, a significant cost saving.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The fixed assets and investments of the charity are vested in a Trust corporation as nominee for the charity with the Diocesan Trustees as the managing Trustees. There are ten managing Trustees. The Trust Corporation is the Arundel & Brighton Roman Catholic Diocesan Corporation Limited incorporated on 20th January 1969. The corporation is registered under the Companies Acts (No. 0946255) as limited by guarantee and not having share capital; the Diocesan Trustees are its members and directors.

**Trustees** The Bishop is empowered to appoint and remove all Trustees. The Trustee body comprises four clergy, one religious, and five laity of the faithful. The clergy Trustees are appointed for their expertise in parochial, spiritual and pastoral matters. Lay Trustees are selected for specialisms in business and education. Further lay Trustees would be chosen to match any perceived skill requirement and would be recruited on the recommendation of, inter alia, Trustees, the Finance Committee and Parish priests. New Trustees are provided with terms of reference and information relating to the constitution, governance and operation of the Trust. Trustees are expected to visit the central departments as well as being familiar with the work of Parishes. All decisions affecting the Trusts are made by the board of Trustees. The board has established various committees to advise it on aspects of the Trust's activities.

Trustees receive training in charity governance and receive updates relating to the Charity Commission periodically.

**Finance Committee** The committee comprises two Trustees and five others who have expertise in financial, property and management matters. The committee meets at a minimum quarterly during the year.. The role of the committee is advisory to the Trustees on financial governance and asset management. The committee also acts as the Trustees' audit committee.

**Education Committee** The committee comprises the Bishop and others who have expertise in school education provided through the maintained and independent sectors. Members comprise governors, headteachers, clergy and a Trustee of the Diocese. The committee advises the Trustees on education policy issues, and meets three times a year.

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### REPORT OF THE CHARITY TRUSTEES

#### FOR THE YEAR ENDED 31 DECEMBER 2021

**Council of Priests and College of Consultors** The priests in these two bodies advise the Bishop on strategic issues affecting the Parishes and Diocese.

**Episcopal Council** The Council comprises three Episcopal Vicars and the Vicar General, and meets with the Bishop monthly.

**Pastoral Commissions** There are several committees advising the Trustees on the wide range of pastoral activities undertaken by the Trust. These committees meet between one and four times a year.

**Parishes** The day to day administration of our Parishes is carried out by Parish clergy who are advised by their Parish finance committees. Significant matters are authorised by the Trustees, for example major property or capital expenditure.

The voluntary aided (maintained) schools and Academies of the Diocese are exempt charities that co-operate with the Trust in providing education in partnership with the UK Government.

#### **Remuneration Policy**

Annual pay changes are approved by the Trustees, and job roles and remuneration are reviewed periodically. Benchmarking against market rates is employed when new roles are created. Remuneration for key management roles is benchmarked against market rates when appointments are made and considered annually.

#### **Fundraising approach**

The Diocese does not engage in fundraising telephone or email campaigns. Funds are raised through collections at services and events, or through donations received via post, bank transfer or online giving. The Diocese is regulated by the Fundraising Regulator. No complaints about fundraising were received this year or during the prior year.

#### **Subsidiary Companies**

The Diocese has one wholly owned dependent company, Diocese of Arundel & Brighton (Building Services) Ltd. The company was established to facilitate the management of building contracts for the Diocese. Its sales are only to the Diocese. The company provides its services approximately at cost, and therefore makes a minimal profit or loss. For the year ended 31 December 2021, the turnover of the company was £Nil (2020: £Nil) and there was a loss of £Nil, (2020: £Nil).

The Diocese also had another subsidiary Arundel and Brighton Lourdes Pilgrimage Limited. The company used to manage the annual pilgrimage to Lourdes each year solely for Diocese parishioners and their helpers. During the year, the company was wound up, and its assets and liabilities were transferred to the Diocesan Trust. The total net liabilities transferred was (£1,938).

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021

#### STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the net movement in funds of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust deed dated 19th May 1967. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Diocesan Trustees on 7 July 2022 and signed as authorised on their behalf by:



The Right Reverend Richard Moth  
Bishop of Arundel & Brighton  
Chairman of Diocesan Trustees

## **Independent auditor's report to the trustees of Arundel and Brighton Diocesan Trust**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ARUNDEL AND BRIGHTON DIOCESAN TRUST**

#### **Opinion**

We have audited the financial statements of Arundel and Brighton Diocesan Trust for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

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

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

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or

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

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's Responsibilities for the audit of the financial statements**

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

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Statutory auditor

Date: 26 October 2022

6<sup>th</sup> Floor  
9 Appold Street  
London  
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

ARUNDEL AND BRIGHTON DIOCESAN TRUST  
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Parishes		Central Diocese		Schools		2020 Total £'000
		Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	
<b>INCOME AND ENDOWMENTS FROM</b>								
<b>Donations and legacies</b>								
Collections and donations	2	7,047	918	-	213	3	8,181	7,788
Legacies		1,039	110	-	336	-	1,485	906
Grants	3	49	13	-	570	-	797	900
<b>Charitable Activities</b>								
Advancement of RC Faith	4	109	-	-	15	-	124	163
Education	5	47	-	-	-	-	2,094	1,322
Other trading activities	6	1,360	-	-	139	-	1,499	1,431
Investment income	7	99	71	-	232	2	404	495
Net gain on disposal of assets		1,289	-	-	1,453	-	2,742	865
<b>TOTAL</b>		<b>11,039</b>	<b>1,112</b>	<b>-</b>	<b>2,958</b>	<b>-</b>	<b>17,326</b>	<b>13,870</b>
<b>EXPENDITURE ON</b>								
<b>Raising funds</b>								
Charitable activities	8	115	-	-	61	-	176	181
Advancement of Roman Catholic Faith	8	7,719	886	24	4,122	-	12,751	12,751
Education	8	-	-	-	-	-	2,011	2,011
<b>TOTAL</b>		<b>7,834</b>	<b>886</b>	<b>24</b>	<b>4,183</b>	<b>-</b>	<b>14,938</b>	<b>14,272</b>
<b>Net gains/(losses) on investments</b>		(19)	31	216	888	17	1,116	3,837
<b>NET INCOME</b>		<b>3,186</b>	<b>257</b>	<b>192</b>	<b>(337)</b>	<b>17</b>	<b>3,504</b>	<b>3,435</b>
<b>TRANSFERS BETWEEN FUNDS</b>								
Transfers from parishes		(1,738)	-	-	1,738	-	-	-
Inter fund transfers		27	(34)	7	-	-	-	-
		(1,711)	(34)	7	1,738	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>1,475</b>	<b>223</b>	<b>199</b>	<b>1,401</b>	<b>17</b>	<b>3,504</b>	<b>3,435</b>
<b>RECONCILIATION OF FUNDS</b>								
Funds brought forward		52,686	5,957	11,142	26,292	859	97,183	93,748
<b>FUNDS CARRIED FORWARD</b>		<b>54,161</b>	<b>6,180</b>	<b>11,341</b>	<b>27,693</b>	<b>876</b>	<b>100,687</b>	<b>97,183</b>

**ARUNDEL AND BRIGHTON DIOCESAN TRUST  
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020**

Note	Parishes		Central Diocese		Schools		Total £'000	2019 Total £'000
	Unrestricted £'000	Restricted Endowment £'000	Unrestricted £'000	Restricted Endowment £'000	Unrestricted £'000	Restricted £'000		
<b>INCOME AND ENDOWMENTS FROM</b>								
<b>Donations and legacies</b>								
Collections and donations	6,918	561	206	101	307	2	7,788	8,860
Legacies	614	1	291	-	291	-	906	1,362
Grants	324	39	324	6	330	207	900	131
<b>Charitable Activities</b>								
Advancement of RC Faith	75	-	-	88	88	-	163	480
Education	37	-	-	-	-	-	1,322	1,610
Other trading activities	1,230	-	199	-	199	2	1,431	2,574
Investment income	90	116	289	-	289	-	495	771
Net gain on disposal of assets	504	-	361	-	361	-	865	241
<b>TOTAL</b>	<b>9,792</b>	<b>717</b>	<b>1,670</b>	<b>195</b>	<b>1,865</b>	<b>1,496</b>	<b>13,870</b>	<b>16,029</b>
<b>EXPENDITURE ON</b>								
<b>Raising funds</b>								
Charitable activities	127	-	54	-	54	-	181	296
Advancement of Roman Catholic Faith	8,383	40	4,046	262	4,308	-	12,751	14,322
Education	-	-	-	-	-	-	1,340	1,605
Grant to St Joseph's Specialist Trust	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>8,510</b>	<b>40</b>	<b>4,100</b>	<b>262</b>	<b>4,362</b>	<b>1,340</b>	<b>14,272</b>	<b>16,223</b>
<b>Net gains/(losses) on investments</b>	629	100	2,219	224	2,498	-	3,837	4,524
<b>NET INCOME</b>	<b>1,911</b>	<b>777</b>	<b>(211)</b>	<b>157</b>	<b>55</b>	<b>156</b>	<b>3,435</b>	<b>4,330</b>
<b>TRANSFERS BETWEEN FUNDS</b>								
Transfers from parishes	(2,094)	-	2,094	-	2,094	-	-	-
Inter fund transfers	(25)	(19)	65	-	65	(40)	-	-
	(2,119)	(19)	2,159	-	2,159	(40)	-	-
<b>NET MOVEMENT IN FUNDS</b>	<b>(208)</b>	<b>758</b>	<b>1,948</b>	<b>157</b>	<b>2,160</b>	<b>116</b>	<b>3,435</b>	<b>4,330</b>
<b>RECONCILIATION OF FUNDS</b>								
Funds brought forward	52,894	5,199	21,127	2,201	24,132	998	93,748	89,418
<b>FUNDS CARRIED FORWARD</b>	<b>52,686</b>	<b>5,957</b>	<b>23,075</b>	<b>2,358</b>	<b>26,292</b>	<b>1,054</b>	<b>97,183</b>	<b>93,748</b>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2020 £'000
<b>FIXED ASSETS</b>						
Tangible assets	13	41,464	11,413	1,603	<b>54,480</b>	56,268
Investments	14	14,573	23,926	-	<b>38,499</b>	36,957
		<u>56,037</u>	<u>35,339</u>	<u>1,603</u>	<u><b>92,979</b></u>	<u>93,225</u>
<b>CURRENT ASSETS</b>						
Debtors and prepayments	15	727	1,098	11	<b>1,836</b>	1,960
Cash at bank and on deposit		9,243	74	(117)	<b>9,200</b>	5,515
		<u>9,970</u>	<u>1,172</u>	<u>(106)</u>	<u><b>11,036</b></u>	<u>7,475</u>
<b>LESS LIABILITIES</b>						
Creditors - amounts falling due within one year	16	(636)	(2,507)	(185)	<b>(3,328)</b>	(3,517)
<b>PARISH LOAN ACCOUNTS</b>						
Due to Parishes		6,311	(6,311)	-	-	-
		<u>15,645</u>	<u>(7,646)</u>	<u>(291)</u>	<u><b>7,708</b></u>	<u>3,958</u>
<b>NET CURRENT ASSETS</b>						
		<u>71,682</u>	<u>27,693</u>	<u>1,312</u>	<u><b>100,687</b></u>	<u>97,183</u>
<b>TOTAL NET ASSETS</b>						
<b>FUNDS OF THE CHARITY</b>						
Unrestricted funds						
General funds	17/18		7,006	(343)	<b>6,663</b>	4,643
Designated funds	17/18	54,161	17,649	1,603	<b>73,413</b>	72,172
	17/18	<b>54,161</b>	<b>24,655</b>	<b>1,260</b>	<b>80,076</b>	76,815
Restricted funds	17/18	6,180	2,162	52	<b>8,394</b>	8,367
Permanent endowment	17/18	11,341	876		<b>12,217</b>	12,001
		<u>71,682</u>	<u>27,693</u>	<u>1,312</u>	<u><b>100,687</b></u>	<u>97,183</u>
<b>TOTAL CHARITY FUNDS</b>						

Approved by the Trustees on 7 July 2022 and signed as authorised on their behalf by:



The Right Reverend Richard Moth  
Bishop of Arundel and Brighton  
Chairman of Trustees

ARUNDEL AND BRIGHTON DIOCESAN TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2019 £'000
<b>FIXED ASSETS</b>						
Tangible assets	13	41,847	12,896	1,525	<b>56,268</b>	56,067
Investments	14	13,788	23,169	-	<b>36,957</b>	33,080
		<u>55,635</u>	<u>36,065</u>	<u>1,525</u>	<u><b>93,225</b></u>	<u>89,147</u>
<b>CURRENT ASSETS</b>						
Debtors and prepayments	15	285	1,650	25	<b>1,960</b>	1,731
Cash at bank and on deposit		8,671	(3,009)	(147)	<b>5,515</b>	4,350
		<u>8,956</u>	<u>(1,359)</u>	<u>(122)</u>	<u><b>7,475</b></u>	<u>6,081</u>
<b>LESS LIABILITIES</b>						
Creditors - amounts falling due within one year	16	(793)	(2,427)	(297)	<b>(3,517)</b>	(1,480)
<b>PARISH LOAN ACCOUNTS</b>						
Due to Parishes		5,987	(5,987)	-	-	-
<b>NET CURRENT ASSETS</b>		<u>14,150</u>	<u>(9,773)</u>	<u>(419)</u>	<u><b>3,958</b></u>	<u>4,601</u>
<b>TOTAL NET ASSETS</b>		<u>69,785</u>	<u>26,292</u>	<u>1,106</u>	<u><b>97,183</b></u>	<u>93,748</u>
<b>FUNDS OF THE CHARITY</b>						
Unrestricted funds						
General funds	17/18		5,114	(471)	<b>4,643</b>	2,418
Designated funds	17/18	52,686	17,961	1,525	<b>72,172</b>	72,541
	17/18	<b>52,686</b>	<b>23,075</b>	<b>1,054</b>	<b>76,815</b>	74,959
Restricted funds						
Permanent endowment	17/18	5,957	2,358	52	<b>8,367</b>	7,452
	17/18	11,142	859		<b>12,001</b>	11,337
<b>TOTAL CHARITY FUNDS</b>		<u>69,785</u>	<u>26,292</u>	<u>1,106</u>	<u><b>97,183</b></u>	<u>93,748</u>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### Statement of Cash Flows

For the year ended 31st December 2021

	2021	2020
	£'000	£'000
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by (used in) operating activities</b>	(704)	45
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	404	495
Purchase of property, plant and equipment	(1,279)	(915)
Proceeds from sale of property, plant and equipment	5,690	1,579
Purchase of investments	(7,137)	(8,790)
Proceeds from sale of investments	6,711	8,751
<b>Net cash (used in) provided by investing activities</b>	4,389	1,120
<b>Net cash provided by financing activities</b>	-	-
Change in cash & cash equivalents in reporting period:	3,685	1,165
Cash & cash equivalents at beginning of reporting period:	5,515	4,350
<b>Cash &amp; cash equivalents at end of reporting period:</b>	9,200	5,515
<b>Reconciliation of net incoming resources to cash flow from operating activities</b>		
Net income/(expenditure) for reporting period (as in SOFA)	3,504	3,435
<b>Adjustments for:</b>		
Depreciation	119	-
(Surplus) or Deficit retained in Investment Portfolio	(1,116)	(3,838)
Dividends	(404)	(495)
Net (Gains) on Disposal of Fixed Assets	(2,742)	(865)
Decrease in Debtors	124	(229)
Increase/(Decrease) in Creditors	(189)	2,037
<b>Net cash used in operating activities</b>	(704)	45

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## ACCOUNTING POLICIES

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)(including update bulletin 27 (Charities SORP FRS102), and the financial Reporting Standard applicable in the UK and Republic of Ireland (FR102), the Charities Act 2011 and UK generally Accepted Practice

Arundel and Brighton Diocesan Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in sterling which is the financial currency of the entity. Monetary amounts are rounded to the nearest thousand pounds

##### 1.2 Preparation of the accounts on a going concern basis

Having considered future budgets and cash flows for a period of at least one year from the date of approval of the financial statements, the Trustees confirm that they have no material uncertainties about the entity's ability to continue as a going concern for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing the financial statements.

##### 1.3 Subsidiary company

All the turnover of the Diocese's wholly owned dependent company, the Diocese of Arundel & Brighton (Building Services) Limited, represents sales of building construction to the Diocese. The subsidiary did not trade during the year and has no material net assets or liabilities. There is no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary company. The charity and its subsidiary are not consolidated. The charity had another subsidiary, Arundel and Brighton Lourdes Pilgrimage Limited. During the year, the assets and liabilities were transferred to the charity and it is the process of being dissolved.

##### 1.4 Income

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

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

Government grant income represents the total amount claimed from HM Revenue & Customs under the Coronavirus Job Retention Scheme (CJRS). The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

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

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **ACCOUNTING POLICIES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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

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

Income from charitable activities is recognised as earned as the related services are provided. Investment income is credited to income when it is receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

#### **1.5 Expenditure**

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

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

Charitable activities are advancement of the Roman Catholic Faith and education.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the Board, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Support costs are certain Finance Office costs which cannot be directly apportioned and are allocated on the basis of Trustees' estimates of time spent on relevant functions. Irrecoverable VAT is included with the category of expense to which it relates.

Governance activities comprise organisational administration and compliance with constitutional and statutory requirements. Costs include direct costs of external audit, legal fees and other professional advice.

#### **1.6 Tangible Fixed Assets**

Buildings held for use by the charity are included in the financial statements at original cost, where known, or at an estimate of original cost where actual figures are unavailable (see note 13). All new functional buildings

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **ACCOUNTING POLICIES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

and major improvements are capitalised where the cost of construction is greater than £100,000. Certain school properties owned by the Diocese are occupied and run by independent charities in the form of voluntary aided (maintained) schools. There are significant legal restrictions on the disposal of these properties under education legislation. The Trustees consider their ownership to be in the nature of custodianship of the assets and these are therefore not capitalised in the financial statements. The estimated original costs of furniture, equipment and motor vehicles are included in the financial statements.

An impairment review of buildings is performed annually to confirm whether a charge for impairment should be recognised in the statement of Financial Activities. Parish and Central freehold buildings are maintained to a high standard and depreciation is not provided for, as in the trustees opinion, the residual value is equal to the carrying value in the Financial Statements

Realised gains/(losses) on disposal of fixed assets for charity use are included in the Statement of Financial Activities as income/expenditure. Unrealised gains and losses on fixed assets for charity use are included in the Statement of Financial Activities under gains and losses on revaluations and investment asset disposals.

#### **1.7 Investments**

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

#### **1.8 Voluntary Aided (Maintained) Schools Building Programme**

The Diocese administers some projects on behalf of the Governors of voluntary aided schools which are exempt charities. The financial responsibility remains with the Governors. The income and expenditure is conduit funding and as such is excluded from the Financial Statements of the Trust. Any contributions from the Diocese or its Parishes are recorded as grants to the Governors.

#### **1.9 Fund Accounting**

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

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

For the purpose of the civil administration of the charity, Parishes are not distinct legal entities but branches forming part of the administrative machinery of the main Diocesan charity, albeit that they have a degree of independence (see page 7). Parish funds and assets, unless held under distinct and express special Trusts evidenced in law, will be part of the Diocesan charity and will be the responsibility of the Diocesan Trustees. The Trustees may under normal legal principles delegate their management to Parish priests with limited authority. Such Parish funds are designated funds within the unrestricted funds.

In Canon Law the Parish is firmly set within the context of the Diocese C515(1) and the Parish priest exercises his ministry under the authority of the Bishop C519. A Parish erected in accordance with the law possesses public juridical personality by the law itself C515(3). In canon law the Parish has the right to acquire, retain,

## **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

### **ACCOUNTING POLICIES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

administer and alienate temporal goods C1255 which as ecclesiastical goods are subject to the norms of Canon Law C1257(1).

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

The capital of permanent endowment funds (see Notes 18 and 19) 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.

Income from commercial activities is included in the period that the charity is entitled to receipt.

#### **1.10 Collections for Third Parties**

Where the charity does not have any discretion in collection and distribution of donations, and has no entitlement to the donation, then these amounts are conduit funding. Amounts and balances relating to conduit funding are not included in the accounts and balances of the charity.

#### **1.11 Recognised gains or losses**

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

#### **1.12 Debtors**

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

#### **1.13 Cash at bank and in hand**

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

#### **1.14 Creditors and provisions**

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

#### **1.15 Estimation uncertainty**

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

#### **1.16 Financial instruments**

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

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. COLLECTIONS AND DONATIONS**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Parish offertory collections	5,910	5,303
Donations	1,083	1,256
Gift Aid tax recovered on collections and donations	1,188	1,303
	<hr/> 8,181	<hr/> 7,862

**3. GRANTS**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Government Grants	150	463
Friends of Arundel Cathedral	56	58
Parishes various	59	77
Food Voucher Scheme	174	86
Other	358	216
	<hr/> 797	<hr/> 900

**4. ADVANCEMENT OF THE ROMAN CATHOLIC FAITH (INCOME)**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Publications and repository sales	85	58
Other including courses and events	39	105
	<hr/> 124	<hr/> 163

**5. EDUCATION (INCOME)**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Independent preparatory school (Sacred Heart Wadhurst)	1,670	1,285
Parish preschools	424	37
	<hr/> 2,094	<hr/> 1,322

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**6. OTHER TRADING ACTIVITIES**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Fund raising events	296	630
Lettings and sundry income	1,203	801
	<hr/> 1,499	<hr/> 1,431

**7. INVESTMENT INCOME**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Listed investments	371	463
Bank interest	33	32
	<hr/> 404	<hr/> 495

**8. CHARITABLE ACTIVITIES (EXPENDITURE) 2021**

	<b>Direct personnel £'000</b>	<b>Direct other expenditure £'000</b>	<b>Direct grants £'000</b>	<b>Allocated support £'000</b>	<b>2021 Total £'000</b>
Fund raising	47	115	-	14	176
Advancement of Roman Catholic Faith	5,907	5,288	472	573	12,240
Education	1,669	342	381	129	2,521
	<hr/> 7,623	<hr/> 5,745	<hr/> 853	<hr/> 717	<hr/> 14,938

**CHARITABLE ACTIVITIES (EXPENDITURE) 2020**

	<b>Direct personnel £'000</b>	<b>Direct other expenditure £'000</b>	<b>Direct grants £'000</b>	<b>Allocated support £'000</b>	<b>2020 Total £'000</b>
Fund raising	40	127	-	14	181
Advancement of Roman Catholic Faith	6,114	5,596	482	559	12,751
Education	1,105	92	17	126	1,340
	<hr/> 7,259	<hr/> 5,815	<hr/> 499	<hr/> 699	<hr/> 14,272

**9. CHARITABLE GRANTS**

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2021

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Schools	381	22
Retired priests and housekeepers	29	33
UK Poor and sick	74	49
Overseas missions	22	43
Youth and pilgrimages	-	103
Ecumenical	45	19
Bishop's conference	31	30
St John's Seminary Womersley	-	44
Food Vouchers Scheme	174	86
Other	97	70
	<u>853</u>	<u>499</u>

#### 10. SUPPORT COSTS 2021

	Fund raising	Advancement of RC Faith	Education	Total	2020
	£'000	£'000	£'000	£'000	£'000
Governance	14	158	21	193	189
Finance Office	-	415	108	523	510
<b>TOTAL</b>	<u>14</u>	<u>573</u>	<u>129</u>	<u>717</u>	<u>699</u>

#### SUPPORT COSTS 2020

	Fund raising	Advancement of RC Faith	Education	Total	2019
	£'000	£'000	£'000	£'000	£'000
Governance	14	154	21	189	192
Finance Office	-	405	105	510	522
<b>TOTAL</b>	<u>14</u>	<u>559</u>	<u>126</u>	<u>699</u>	<u>714</u>

The Finance Office provides advice and help to Parishes, departments within Central Diocese and Schools. Services include accounting, banking, payroll, investment management, property, legal compliance, HR support and Health and Safety support. Costs have been allocated to activities based on the Trustees' estimate of staff time spent on these activities. Governance costs included fees paid to auditors as follows: audit fees: £40,667 (2020 £39,000), fees for other services £6,308 (2020 £5,000).

#### 11. STAFF INFORMATION

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2021

##### 11.1 Staff costs

	Parish £'000	Central Diocese £'000	Schools £'000	TOTAL £'000	2020 £'000
Employee Salaries	1,391	1,521	1,206	4,118	3,909
Social Security	60	145	85	290	264
Pension Costs	109	170	164	443	401
<b>Total Employee Costs</b>	<b>1,560</b>	<b>1,836</b>	<b>1,455</b>	<b>4,851</b>	<b>4,574</b>
Clergy & Religious Costs	1,387	332	-	1,719	1,761
Travel & Office Costs	521	318	214	1,053	924
<b>TOTAL</b>	<b>3,468</b>	<b>2,486</b>	<b>1,669</b>	<b>7,623</b>	<b>7,259</b>

Key management personnel received salary and pension contributions of £266k (2020 £266k). Included in the staff costs above were redundancy costs of £46k (2020 £29k).

##### 11.2 Pension payments

The Diocese operates two pension schemes, a closed scheme where it contributes 15% of gross salary to a group personal pension scheme for staff members in the Parishes and Central Diocese and the auto-enrolment scheme whereby the employer contributes 5% and the employee contributes 4%. The scheme is a defined contributions scheme for which the Diocese is neither liable to finance any funding shortfall nor entitled to benefit from any over-funding. There were contributions outstanding at the year-end of £27k (2020 £21k).

The Diocese participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £62k (2020 £50k) and the contributions outstanding at the year-end amounted to £7k (2020 £5k).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The previous actuarial valuation of the TPS confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. The employers rate following the March 2016 actuarial valuation has now risen to 23.68%, this rise was implemented in September 2019.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2021

##### 11.3 Staff numbers

	Parish	Central Diocese	Schools	TOTAL	2020
Clergy & Religious	134	3	-	137	146
Employees - average weekly numbers	162	55	62	279	327
	296	58	62	416	473

##### 11.4 Employee emoluments

	Parish	Central Diocese	Schools	TOTAL	2020
Between £60,001 and £70,000		1		1	1
Between £70,001 and £80,000		2		2	1
Between £80,001 and £90,000					
Between £90,001 and £100,000		1		1	1
Between £100,001 and £110,000		1		1	1

## 12. TRUSTEES INFORMATION

The Trustees comprise four priests, one religious and five lay people as shown on page 2 of the Report. The priests receive income for their office together with living accommodation, living expenses and reimbursement of costs incurred on the same basis as other Diocesan priests. No Trustee receives any remuneration or benefits from his/her Trusteeship other than cover under the indemnity insurance purchased by the charity. No Trustee fees or expenses were paid in 2021 (2020 £716).

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

#### 13. TANGIBLE FIXED ASSETS

	2021			2020
	Freehold	Contents	Total	Total
	£'000	£'000	£'000	£'000
<b>COST OR VALUATION</b>				
At 1 January	73,955	236	74,191	73,971
Additions	1,273	6	1,279	915
Disposals	(3,612)	-	(3,612)	(1,258)
At 31 December	71,616	242	71,858	73,628
<b>DEPRECIATION</b>				
At 1 January	17,802	121	17,923	17,904
Charge for year	98	21	119	-
Disposals	(664)	-	(664)	(544)
At 31 December	17,236	142	17,378	17,360
<b>NET BOOK VALUE</b>				
At 31 December 2021	54,380	100	54,480	56,268
At 1 January 2021	56,153	115	56,268	56,067

The Diocese has 44 maintained (voluntary aided) schools constituted as separate charities. In addition, two Multi-Academy Trusts have been established as separate charities. A total of 20 Academies have joined the Trusts. The school properties (land and buildings) are vested in the Diocesan Trustees or the Trustees of three connected charities. Their value is estimated at £800 million. These 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 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 consider that, for the purposes of these Financial Statements, the nature of their ownership is that of a custodianship and therefore these properties have not been capitalised. The Diocese leases land and buildings at two of these schools from Religious Orders. A further school is a joint Anglican/Roman Catholic foundation. The Diocesan Directory lists all 65 maintained schools and Academies owned, leased or jointly administered by the Diocese. Apart from a small proportion used for management and administration, all fixed assets are used in direct furtherance of the charity's objects. Assets of Trusts are consolidated with the Diocesan accounts under Charity Commission uniting directions. St Joseph's Specialist School and College in Cranleigh is held by a separate charity.

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**14. INVESTMENTS**

	<b>2021</b>	2020
	<b>£'000</b>	£'000
Listed Investments	36,848	35,252
Cash Deposits	1,651	1,705
<b>TOTAL INVESTMENTS</b>	<b>38,499</b>	<b>36,957</b>

**Summary of investments**

	<b>2021</b>
	<b>£'000</b>
OPENING VALUATION 1 Jan 2020	36,957
Acquisitions at Cost	7,137
Proceeds of Sales less fund management fees	(6,711)
Gains/(Losses) during the year	1,116
<b>CLOSING VALUATION 31 Dec 2020</b>	<b>38,499</b>

**15. DEBTORS**

	<b>2021</b>	2020
	<b>£'000</b>	£'000
Advances to schools (£440k due after one year)	576	712
School Fee debtors	-	-
Gift Aid Small Donations Scheme grant	191	191
Inter Diocese Balances	174	375
Lourdes Pilgrimage Trust donation to be received	-	230
Other Debtors and Prepayments	895	452
	<b>1,836</b>	<b>1,960</b>

**16. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2021</b>	2020
	<b>£'000</b>	£'000
Parish Collections, Supplies and Accruals	445	336
Fees Paid in Advance	185	144
Inter Diocese Balances	174	375
Other Creditors	1,066	1,316
Government capital funding for allocation to schools	1,458	1,346
	<b>3,328</b>	<b>3,517</b>

**17. FUNDS NET ASSET ANALYSIS 2021**

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Tangible assets</b>	<b>Investments</b>	<b>Net current assets</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>UNRESTRICTED</b>				
Parishes	34,807	7,023	12,331	54,161
Central Diocese	10,881	22,198	(8,424)	24,655
Schools	1,603	-	(343)	1,260
	<b>47,291</b>	<b>29,221</b>	<b>3,564</b>	<b>80,076</b>
<b>RESTRICTED</b>				
Parishes	1,926	1,189	3,065	6,180
Central Diocese	211	1,173	778	2,162
Schools	-	-	52	52
	<b>2,137</b>	<b>2,362</b>	<b>3,895</b>	<b>8,394</b>
<b>ENDOWMENT</b>				
Parishes	4,731	6,361	249	11,341
Central Diocese	321	555	-	876
	<b>5,052</b>	<b>6,916</b>	<b>249</b>	<b>12,217</b>
<b>TOTAL FUNDS</b>	<b>54,480</b>	<b>38,499</b>	<b>7,708</b>	<b>100,687</b>

**FUNDS NET ASSET ANALYSIS 2020**

	<b>Tangible assets</b>	<b>Investments</b>	<b>Net current assets</b>	<b>2020 Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>UNRESTRICTED</b>				
Parishes	35,030	6,456	11,200	52,686
Central Diocese	12,364	20,427	(9,716)	23,075
Schools	1,525	-	(471)	1,054
	<b>48,919</b>	<b>26,883</b>	<b>1,013</b>	<b>76,815</b>
<b>RESTRICTED</b>				
Parishes	1,926	1,163	2,868	5,957
Central Diocese	211	2,205	(58)	2,358
Schools	-	-	52	52
	<b>2,137</b>	<b>3,368</b>	<b>2,862</b>	<b>8,367</b>
<b>ENDOWMENT</b>				
Parishes	4,891	6,169	82	11,142
Central Diocese	321	537	1	859
	<b>5,212</b>	<b>6,706</b>	<b>83</b>	<b>12,001</b>
<b>TOTAL FUNDS</b>	<b>56,268</b>	<b>36,957</b>	<b>3,958</b>	<b>97,183</b>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 18. FUNDS ANALYSIS 2021

	Opening balance £000s	Income £000s	Expenditure £000s	Investment gains / (losses) £000s	Transfers £000s	Closing balance £000s
<b>UNRESTRICTED GENERAL FUNDS</b>						
Parishes (see note)						
Central	5,114	2,739	(3,223)	800	1,576	7,006
Schools	(471)	2,217	(2,011)	-	(78)	(343)
	4,643	4,956	(5,234)	800	1,498	6,663
<b>UNRESTRICTED DESIGNATED FUNDS</b>						
Parishes (see note)	52,686	11,039	(7,834)	(19)	(1,711)	54,161
Central						
Retired priests	4,277	-	(383)	-	149	4,043
Ecclesiastical education	608	-	(91)	-	149	666
Fixed Assets	12,364	-	-	-	-	12,364
Advances	712	-	-	-	(136)	576
Schools	1,525	-	-	-	78	1,603
	72,172	11,039	(8,308)	(19)	(1,471)	73,413
	76,815	15,995	(13,542)	781	27	80,076
<b>TOTAL UNRESTRICTED FUNDS</b>						
<b>RESTRICTED FUNDS</b>						
Parishes	2,883	1,062	(830)	2	-	3,117
Trusts connected with Parishes	2,426	6	(17)	19	-	2,434
Endowment trusts restricted income	648	44	(39)	10	(34)	629
	5,957	1,112	(886)	31	(34)	6,180
Central						
Poor	625	-	(87)	29	-	567
Retired Priests	-	69	(69)	-	-	-
Lourdes Pilgrimage	635	50	(63)	-	-	622
Foundation Masses	574	20	-	18	-	612
Ecclesiastical Education	-	58	(58)	-	-	-
Education	169	5	(198)	24	-	-
UBS Chaplaincies	127	-	(11)	-	-	116
Others	17	17	-	-	-	34
Trusts connected with Central	211	-	-	-	-	211
	2,358	219	(486)	71	-	2,162
Schools						
Catholic Education promotion	52	-	-	-	-	52
	8,367	1,331	(1,372)	102	(34)	8,394
<b>TOTAL RESTRICTED FUNDS</b>						
<b>ENDOWMENT FUNDS</b>						
Parishes	1,143	-	-	38	-	1,181
Trusts connected with Parishes	9,999	-	(24)	178	7	10,160
	11,142	-	(24)	216	7	11,341
Central						
Episcopal administration	418	-	-	5	-	423
Ecclesiastical education	119	-	-	12	-	131
Trusts connected with Central	322	-	-	-	-	322
	859	-	-	17	-	876
<b>TOTAL ENDOWMENT FUNDS</b>						
	12,001	-	(24)	233	7	12,217
<b>TOTAL ALL FUNDS</b>						
	97,183	17,326	(14,938)	1,116	-	100,687

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2021

##### **Unrestricted designated funds**

The Trustees have set aside designated funds out of unrestricted funds to ensure that certain activities or responsibilities of the Trust are adequately financed.

Parishes - in Canon Law each parish has a distinct legal personality and is administered by the parish priest under the authority of the Bishop. In Canon Law a parish can acquire and dispose of assets in its own right. The Trustees regard parish unrestricted funds as designated funds. Parishes transferred £1.7 million to the Central Diocese to support Central activities.

Retired Priests - to support priests in retirement with accommodation and nursing needs.

Ecclesiastical Education - for the education of students to the priesthood and continuing formation.

Fixed Assets – for the provision of land and buildings for use in the activities of the Diocese. A separate fund is designated for fixed assets used by Schools.

Advances – to provide long-term loans to schools to finance development programmes.

##### **Restricted funds**

In the Parishes these mainly relate to funds raised for specific parish building projects.

In the Central Diocese funds are restricted for the following purposes:

Poor - Aid to poor religious orders and laity

Foundation Masses - Clergy stipends for Masses celebrated on the anniversary of the deceased

Ecclesiastical Education - created from donations for training priests and promoting vocations to the priesthood

Universities of Brighton & Sussex Chaplaincies - created from donation from Trust to maintain Chaplaincy building and facilities

Lourdes Pilgrimage – for promoting and organising pilgrimages to Lourdes

##### **Permanent endowment funds**

Eight parishes have connected permanent endowment trusts for their support. See note 19.

In the Central Diocese permanent endowment trusts exist for Episcopal Administration – the support of the Bishop's establishment and office and Ecclesiastical Education – the training of students to the priesthood. The Buckley Trust provides support for retired priests.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 18. FUNDS ANALYSIS 2020

	Opening balance £000s	Income £000s	Expenditure £000s	Investment gains / (losses) £000s	Transfers £000s	Closing balance £000s	
<b>UNRESTRICTED GENERAL FUNDS</b>							
Parishes (see note)							
Central	2,955	1,670	(3,542)	2,219	1,812	5,114	
Schools	(537)	1,496	(1,340)	-	(90)	(471)	
	2,418	3,166	(4,882)	2,219	1,722	4,643	
<b>UNRESTRICTED DESIGNATED FUNDS</b>							
Parishes (see note)							
Central	52,894	9,792	(8,510)	629	(2,119)	52,686	
Retired priests	4,536	-	(409)	-	150	4,277	
Ecclesiastical education	607	-	(149)	-	150	608	
Fixed Assets	12,187	-	-	-	177	12,364	
Advances	842	-	-	-	(130)	712	
Schools Fixed Assets	1,475	-	-	-	50	1,525	
	72,541	9,792	(9,068)	629	(1,722)	72,172	
	74,959	12,958	(13,950)	2,848	-	76,815	
<b>TOTAL UNRESTRICTED FUNDS</b>							
<b>RESTRICTED FUNDS</b>							
Parishes	Parishes within Diocesan Trust	2,187	635	-	20	41	2,883
	Trusts connected with Parishes	2,383	5	(4)	54	(12)	2,426
	Endowment trusts restricted income	629	77	(36)	26	(48)	648
		5,199	717	(40)	100	(19)	5,957
Central	Poor	530	6	-	89	-	625
	Retired Priests	-	101	(101)	-	-	-
	Lourdes Pilgrimage	661	77	(103)	-	-	635
	Foundation Masses	515	-	-	59	-	574
	Ecclesiastical Education	55	3	(58)	-	-	-
	Education	93	-	-	76	-	169
	UBS Chaplaincies	127	-	-	-	-	127
	Others	9	8	-	-	-	17
	Trusts connected with Central	211	-	-	-	-	211
		2,201	195	(262)	224	-	2,358
Schools	Catholic Education promotion	52	-	-	-	-	52
		7,452	912	(302)	324	(19)	8,367
<b>TOTAL RESTRICTED FUNDS</b>							
<b>ENDOWMENT FUNDS</b>							
Parishes	Parishes within Diocesan Trust	1,041	-	-	102	-	1,143
	Trusts connected with Parishes	9,492	-	(20)	508	19	9,999
		10,533	-	(20)	610	19	11,142
Central	Episcopal administration	375	-	-	43	-	418
	Ecclesiastical education	107	-	-	12	-	119
	Trusts connected with Central	322	-	-	-	-	322
		804	-	-	55	-	859
<b>TOTAL ENDOWMENT FUNDS</b>							
		11,337	-	(20)	665	19	12,001
<b>TOTAL ALL FUNDS</b>							
		93,748	13,870	(14,272)	3,837	-	97,183

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**19. CONNECTED TRUSTS**

Trust	Beneficiary	Nature	Opening balance £'000	Income £'000	Expenditure £'000	Investment gains / (losses) £'000	Transfers £'000	Closing balance 2021 £'000
<b>RESTRICTED</b>								
Ashburnham	Battle	Land and investments	745	5	(17)	19	-	752
Elmer	Retired priests	Land	211					211
Gaisford	Worthing	Land	10					10
Grant	St Leonard's	Land	135					135
Hyland	Godalming	Land	58					58
Munster	Keymer	Land	38	1				39
Norfolk	Dorking	Land	2					2
Norfolk	Horsham	Land	934					934
Salvin	Sutton Park	Land	246					246
Stacpole	Caterham	Land	258					258
			<b>2,637</b>	<b>6</b>	<b>(17)</b>	<b>19</b>	<b>-</b>	<b>2,645</b>
<b>PERMANENT ENDOWMENT RESTRICTED INCOME</b>								
Bedingfeld	Duncton	Investments	23	2	(2)			23
Biddulph Education	Duncton	Investments	55	5	(12)			48
Buckley	Retired priests	Land and investments	-					-
Cemetery	Burwash	Land and investments	-					-
Hope	Hérons Ghyll	Land and investments	45	3	(14)			34
Lang	Oxted	Land and investments	-					-
Leslie	Slindon	Land and investments	4	8	(7)			5
Norfolk	Angmering	Land and investments	470	3	(4)	6		475
Norfolk 1901	Littlehampton	Investments	1	3		4		8
Norfolk Cemetery	Arundel	Land and investments	-					-
Norfolk Cemetery	Houghton	Land and investments	27					27
Scawen Blunt	Crawley	Land and investments	23	20			(34)	9
			<b>648</b>	<b>44</b>	<b>(39)</b>	<b>10</b>	<b>(34)</b>	<b>629</b>
<b>PERMANENT ENDOWMENT</b>								
Bedingfeld	Duncton	Investments	264		(1)	10		273
Biddulph	Duncton	Land	1					1
Biddulph Education	Duncton	Investments	693		(3)	27		717
Buckley	Retired priests	Land	322					322
Cemetery	Burwash	Land and investments	6					6
Hope	Hérons Ghyll	Land and investments	406		(2)	15		419
Lang	Oxted	Land and investments	1,161					1,161
Leslie	Slindon	Land and investments	569		(2)	15		582
Norfolk	Arundel	Land	799					799
Norfolk	Littlehampton	Land	168					168
Norfolk 1901	Littlehampton	Investments	307		(2)	1		306
Norfolk Cemetery	Arundel	Land and investments	881					881
Norfolk Cemetery	Houghton	Land and investments	8			1		9
Pauling	Effingham	Land	647					647
Scawen Blunt	Crawley	Land and investments	4,089		(14)	109	7	4,191
			<b>10,321</b>	<b>-</b>	<b>(24)</b>	<b>178</b>	<b>7</b>	<b>10,482</b>
<b>TOTAL CONNECTED TRUSTS</b>			<b>13,606</b>	<b>50</b>	<b>(80)</b>	<b>207</b>	<b>(27)</b>	<b>13,756</b>

In addition, the following trusts comprise land holdings only for schools and/or cemeteries:

- St Joseph's primary school trust in Haywards Heath
- Fairlight cemetery trust near Hastings (permanent endowment)
- Marist primary school trust in West Byfleet
- Education trust for Diocese
- Norfolk trust for school and cemetery in Angmering

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

#### 20. COMMITMENTS GUARANTEES AND CONTINGENCIES

**Capital commitments:** At 31 December 2021 there were no capital commitments on Parish properties, maintained or independent schools (2020 Nil).

**Contingent Liability:** The Diocese provides support to its retired priests, in line with established Diocesan practice and in accordance with Canon Law requirements. In the opinion of the Trustees, this constitutes a constructive obligation, as defined by the Charities SORP (FRS 102). The amount of this obligation cannot be measured with sufficient reliability as the support required by individual priests will vary considerably, particularly depending on whether any third-party care is needed.

#### 21. SUBSIDIARY COMPANIES

##### DIOCESE OF ARUNDEL & BRIGHTON (BUILDING SERVICES) LIMITED

The wholly owned trading subsidiary was incorporated in the United Kingdom in 1991 (Reg No 2576444). The company manages building contracts on behalf of the Diocese. The Diocese owns all the issued share capital of two ordinary shares. A summary of the trading results is shown below.

All the turnover of the Diocese's wholly owned subsidiary, the Diocese of Arundel & Brighton (Building Services) Limited, represents sales of building construction to the Diocese. The subsidiary has no material net assets or liabilities and there is therefore no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary. The charity and its subsidiary are not consolidated.

#### SUMMARY ACCOUNTS

	2021 £'000	2020 £'000
Turnover	-	-
Less: Cost of Sales and Administrative Expenses	-	-
Retained Profit/(Loss) for the Year	-	-
The assets and liabilities of the subsidiary were:		
Tangible Assets		
Current assets	-	-
Creditors - amounts falling due within one year	(6)	(6)
Total Net Assets	(6)	(6)
Aggregate share capital and reserves	(6)	(6)

**Arundel and Brighton Lourdes Pilgrimage Limited**

## ARUNDEL AND BRIGHTON DIOCESAN TRUST

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2021

The wholly aimed trading subsidiary was incorporated in the United Kingdom (Reg no 2998831). The pilgrimage to Lourdes was unable to proceed in 2020 and 2021 because of travel restrictions arising from the coronavirus pandemic. The company directors resolved to wind up the company in 2021 and its trade, assets and liabilities were transferred to the Diocese trust in the year. The total net liabilities transferred was (£1,938).

#### Summary Accounts

	2020 £'000
Turnover	107
Less: Cost of Sales and Administrative Expenses	(64)
Retained Profit/(Loss) for the Year	43
The assets and liabilities of the subsidiary were:	
Tangible Assets	
Current assets	280
Creditors - amounts falling due within one year	(282)
Total Net Assets	(2)
Aggregate share capital and reserves	(2)

#### 22. Related party Transactions

Insofar as the trustees are aware, there are no matters required to be reported other than that already shown in the accounts.

**ARUNDEL AND BRIGHTON DIOCESAN TRUST**

England & Wales - Charity number 252878

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# Accounts

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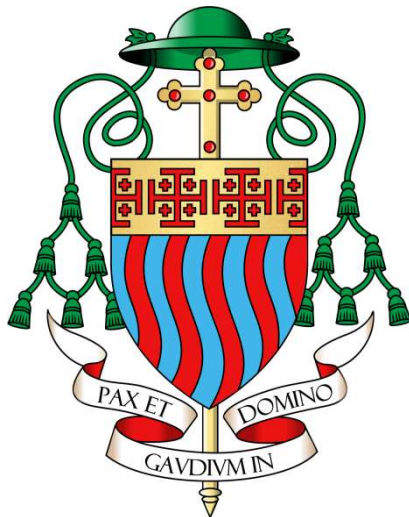
**ARUNDEL AND BRIGHTON DIOCESAN TRUST**  
**Registered Charity No. 252878**

**ANNUAL REPORT AND ACCOUNTS**

**Incorporating Thirty Connected Trusts under Charity Commission  
Uniting Directions**

**for the year ended**

**31 DECEMBER 2020**



**Bishop's House  
The Upper Drive  
Hove  
East Sussex  
BN3 6NB**



# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2020

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Statement of Cash Flows	19
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### **CONNECTED TRUSTS UNDER CHARITY COMMISSION UNITING DIRECTIONS**

#### **Trusts Linked to Diocesan Trust on Charity Commission website**

Battle Ashburnham	252878 - 1
Diocese Buckley	252878 - 2
Slindon Leslie	252878 - 3
Littlehampton Norfolk	252878 - 4
Littlehampton Norfolk 1901	252878 - 5
Diocese Education	252878 - 6
Duncton Bedingfeld	252878 - 7
Hérons Ghyll Hope	252878 - 8
Crawley Scawen Blunt	252878 - 9
Duncton Biddulph	252878 - 10
Arundel Norfolk	252878 - 11
Houghton Norfolk Cemetery	252878 - 12
Arundel Norfolk Cemetery	252878 - 13
Duncton Biddulph Education	252878 - 14
Angmering Norfolk	252878 - 15

#### **Other Trusts**

Burwash Cemetery  
Caterham Stacpole  
Dorking Norfolk  
Effingham Pauling  
Godalming Hyland  
Hastings Fairlight Shadwell Cemetery  
Horsham Norfolk  
Keymer Munster  
Oxted Lang  
St Leonards Grant  
Sutton Park Salvin  
West Byfleet Marist School  
Worthing Gaisford

#### **The following Trusts consolidated their accounts with the Diocese's by resolution of their Trustees:**

Diocese Elmer  
Haywards Heath St Joseph's School

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### LEGAL AND ADMINISTRATIVE DETAILS

##### TRUSTEES:

Right Reverend Richard Moth, Bishop of Arundel and Brighton – Chair

T W Allen (resigned 2 April 2020)

P Bergin (appointed 2 April 2020)

Sr J Bertelsen (appointed 2 April 2020)

P Burgess OBE, DL, KSG, KGCHS

A Campbell OBE KSG (resigned 2 April 2020)

Reverend Father J How

J Lydon (appointed 2 April 2020)

K Maloney

Reverend Canon J S Martin VG

Reverend Canon K J O'Brien

Reverend Deacon M C Thoms (resigned 31 March 2021)

C Wordsworth (appointed 2 April 2020)

##### Secretary to Trustees:

Mrs S M Kilmartin

##### DIOCESAN OFFICE:

Bishop's House

The Upper Drive

Hove

East Sussex

BN3 6NB

##### FINANCE COMMITTEE:

Reverend Father J How – Chair

T W Allen FCA (resigned 2 April 2020)

Mr P Bergin ACA (appointed 2 April 2020)

Mrs N Bryson MA, ACA

W Connell FCMA

J Cornish FRICS

Reverend Deacon P Gately FIA

Mrs I Wragg FRICS

##### KEY MANAGEMENT PERSONNEL:

Chief Operating Officer: Mrs S M Kilmartin BA ACA

Director, Education Service: Ms M Ryan BA, MA, MCIL

##### ADVISERS

##### AUDITORS:

Haysmacintyre LLP  
10 Queen Street Place  
London EC4R 1AG

##### SOLICITORS:

DMH Stallard  
Gainsborough House  
Pegler Way  
Crawley  
West Sussex RH11 7FZ

##### INVESTMENT MANAGERS:

Joh. Berenberg, Gossler & Co. KG  
60 Threadneedle Street  
London EC2R 8HP

##### BANKERS:

HSBC Bank plc  
69 Pall Mall  
London SW1Y 5EY

##### INSURANCE MANAGERS:

Catholic Insurance Service Ltd  
Suite 5, Oxford House  
Oxford Road  
Thame OX9 2AH

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

The Arundel and Brighton Diocesan Trust is a charity established by a Trust deed dated 19th May 1967 as amended 14th November 1967 and 4th December 1998. The charity is registered with the Charity Commission of England and Wales (No. 252878).

The Trustees present their report and financial statements for the year ended 31 December 2020.

### **OBJECTIVES AND ACTIVITIES**

The Diocese is a portion of the People of God, defined by its territories – in this case, the city of Brighton & Hove and the counties of East and West Sussex, and Surrey outside the London Boroughs. The Diocese serves its people through our 85 Parishes, 64 schools and the Diocesan central agencies. The aim of the Diocese is, in accordance with the objectives of the charity, the advancement of the Roman Catholic religion and education.

The Diocese gathers principally through the worship of God and through prayer. This is the foundation of its work and, built on this foundation, the Diocese brings its people together for formation in the Roman Catholic religion. This work of formation is carried out in a number of ways: in Parishes; at diocesan level through conferences and courses and Cathedral liturgies; through the provision of retreats; through the work of its schools. This formation enables the people of the Diocese to exercise the mission of the church. This is carried out in myriad ways through social outreach, especially to the poor and disadvantaged – often at Parish and local level; through provision of courses for those who may wish to explore Faith; through support of the work of the Church in other parts of the world.

In order to achieve these aims, a number of strategies are put in place by the Trustees. These include support for 85 Parishes and 64 Catholic schools serving some 30,000 pupils. A large diocesan pilgrimage to Lourdes is undertaken each year (subject to travel restrictions during the pandemic), and chaplaincy services are provided for universities, hospitals, hospices and prisons. The St. Philip Howard Centre in Crawley hosts the Diocesan Education Service, the Formation Team and the Lourdes Pilgrimage Team. The Curial Offices, based in Hove, accommodate the Chancery, Financial, Canonical and Safeguarding services for the Diocese. The Bishop's residence contains offices for the secretarial staff that supports the Bishop's ministry to the whole Diocese. During 2021, the decision has been taken to relocate the Hove teams and the Bishop's staff to The St Philip Howard Centre. It is anticipated that this move will take place in 2022.

The achievement of these aims fulfils the legal purposes of the charity and impacts on society at a number of levels. The young are enabled to take a responsible place in society, enriching it through their way of life; care is provided to those who are in hospital, elderly or housebound; to those in prison and to those who live with disability. Family life is fostered and supported. The outreach of the Diocese enables many others to avail themselves of the social support offered by the Church. The effect of the Diocese's work beyond its boundaries has a deep impact on those living in the poorer parts of the world.

The Bishop has oversight of the whole Diocese, achieved through visitations of Parishes, schools and the various operations of the Diocese referred to above. He is aided in this through the work of a number of consultative bodies and by Deans who have pastoral oversight of groupings of Parishes.

The schools of the Diocese are subject to both OFSTED and Section 48 inspections and are very well supported by the Diocesan Education Service.

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **Service by Volunteers**

Special mention should be made of the considerable number of volunteers who participate in all aspects of the work of the Diocesan Trust as they seek to live out their Christian vocation. Without their active participation our Parishes, in particular, would not function. The Diocesan Trustees, Parish clergy and our employees are most grateful to our volunteers for giving the Church and the world so much time and effort. A typical Parish has between 10% and 20% of its Parishioners actively helping in all manner of voluntary roles from altar servers to financial accountants. Parishes do not only look inwardly to their own needs. Many Parish volunteers give help to the sick, elderly, homeless and disadvantaged in their local areas, and further afield, through their Parish organisations.

#### **Grant making policy**

The Diocesan Trust is not primarily a grant making charity. Most grants are of modest size. Occasional larger grants are made by The Trustees, most often to Catholic schools to assist with capital projects.

#### **Public benefit**

The Trustees confirm that they have complied with the duty in the Charities Act 2011 section 17 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity. The public benefit provided by the Charity includes the provision of religious ceremonies (such as baptisms, weddings and funerals), maintaining religious burial grounds, celebrating public Masses, and providing and maintaining places of worship. There is also a benefit to the general public as churches can be accessed by people of all faiths and none, for personal spiritual contemplation. Catholic schools and parishes are communities which contribute to the moral and spiritual wellbeing of those who participate. From these centres educational, social and pastoral work is carried out as a practical expression of faith. All of these contribute to the wellbeing of civic society in our country.

## **ACHIEVEMENTS AND PERFORMANCE**

The period covered by this report has been marked by the impact of the Covid-19 pandemic. While this has imposed a hiatus on some aspects of the Diocesan Pastoral Plan, notably the Weeks of Guided Prayer and the possibilities for parish and school visitations on the part of the Bishop, the schools and parishes of the Diocese have responded with agility to the many challenges of the last year.

The great majority of parishes have made provision for livestreaming, enabling people to continue to share in the celebration of Mass and other occasions of prayer. Formation of those preparing for the Sacraments has been able to take place using Zoom and other similar platforms and these have been used for virtual social gatherings also. Parishes worked hard to make their venues and activities Covid-secure and to open for private prayer and acts of worship where Government guidance permitted this.

The continuing growth of a team of Bereavement Counsellors across the Diocese has been especially timely, given the impact of the pandemic on the lives of so many families. The Diocese has been able to administer a significant Voucher Scheme, funded through a Charitable Trust that has supported the Catholic Church across England & Wales. This proved a great support to families who have been affected by significant economic challenge. Schools and parishes supported local communities in myriad ways, including the development of a community hub in East Brighton parish.

# **ARUNDEL AND BRIGHTON DIOCESAN TRUST**

## **REPORT OF THE CHARITY TRUSTEES**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

The provision of the CCRS continues in the Diocese and the Formation Team planned an online Mission that was delivered in Lent 2021. The work to develop School Chaplaincy, begun in previous years, has continued and one of the Multi-Academy Trusts has now developed a Chaplaincy Apprenticeship Scheme that is beginning to bear fruit beyond the school itself.

The development of the Multi-Academy Trusts continues in a measured fashion, with a particular focus on the growth of the Bosco Catholic Education Trust in Sussex. The Academies Partnership Committee works with the two Catholic Education Trusts to review and approve school applications to join the Trust, carrying out due diligence to ensure the ongoing strength and capacity of the MATs.

Staff at diocesan and parish level responded well to the challenges of the pandemic. Some staff were furloughed (supported by the Central Government Scheme) during periods when it was not possible for their work to continue. However, the use of cloud-based systems and provision of equipment to staff working at home enabled the essential work of teams to continue remotely, so that schools, parishes and clergy received necessary support throughout the pandemic. Training and formation continued, with online platforms replacing face to face meetings. The use of online training modules and Zoom allowed the Safeguarding team to continue to provide mandatory clergy refresher training during the year. The Safeguarding team also introduced the capability for applicants to complete a fully online process for obtaining checks from the Disclosure & Barring Service and cloud-based systems were established for volunteer administration and case management.

The Diocesan Pilgrimage to Lourdes was unable to travel in 2020, due to the restrictions imposed by the pandemic. In response to this, a 'virtual pilgrimage' was arranged, drawing many people from across the Diocese together in prayer and in support for the life of the Shrine in Lourdes.

### **FINANCIAL REVIEW**

Before taking into account the investment gains, there was a deficit of £0.4 million. Income decreased in the year to £13.9 million (2019 £16.0 million). The drop in revenue of £2.1 million compared to 2019 was a result of Covid: collections fell by £1.0 million and lettings and activity income were significantly impacted. Expenditure decreased in the year to £14.3 million (2019 £16.2 million) as projects were put on hold. The net surplus for the year was £3.4 million (2019 £4.3 million). There was a cash inflow of £1.2 million (2019 outflow of £2.0 million) due to the receipt of public funds for school improvement. Overall Diocesan funds increased to £97.2 million (2019 £93.7 million).

The income and expenditure of the Diocesan Trust is set out in three principal components: Parishes, Central Diocese and Schools. The basis of charitable expenditure is made by reference to the objectives of the charity: the advancement of the Roman Catholic religion and education. The thirty connected Trusts are incorporated into the results for the area of the Diocese to which they relate. Twenty-eight of the connected Trusts provide the land and church buildings for Parishes who maintain the properties and two are linked to activities of the Central Diocese (care for retired priests).

The financial statements comply with the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), and are in accordance with the accounting policies of the Diocese.

The majority of funds in the charity are raised and expended within each individual Parish or centre activity in support of its work. In addition to financing their own activities, Parishes also support the Diocese through the transfer of funds to cover both general and specific activities of the Diocese.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### Parishes

The net surplus in funds before transfers was £3.3 million (2019 £3.7 million). Income was £10.4 million compared with last year's £12.4 million due to the closure of churches and halls during the pandemic, which had a direct impact on collections and income from lettings. Expenditure reduced to £8.5 million (2019 £10.2 million). Parishes contributed £2.1 million to the central costs of the Diocese through transfers (2019 £2.1 million).

Most of the costs incurred in the Parishes were attributed to the primary activity of the Diocese: advancement of the Roman Catholic faith.

Parish net assets benefitted from a positive year end valuation of investments, which increased in value by £1.3 million (2019 £1.5 million). The overall surplus at year end was £1.2 million (2019 £1.6 million). Parish funds increased to £69.8 million (2019 £68.6 million). Tangible fixed assets at cost less any depreciation were £41.8 million at year end, a decrease of £0.1 million on last year's £41.9 million.

#### Central Diocese

Income and expenditure in the Central Diocese were broadly consistent with the prior year, with income of £2.0 million (2019 £2.1 million) and expenditure of £4.5 million (2019 £4.5 million). Income transferred in from Parishes at £2.1 million was consistent to last year (2019 £2.1 million). Investments benefitted at the year end with a gain in value of £2.5 million (2019 £3.0 million). The largest cost in the Central Diocese was staffing. The overall funds of the Central Diocese increased to £26.3 million (2019 £24.1 million) with £5.2 million in unrestricted funds excluding designated reserves. Tangible assets accounted for £12.9 million of Central Diocese funds.

#### Schools

Sacred Heart Preparatory School in Wadhurst and four Parish pre-schools operated within the Diocesan Trust and their results are reflected in these accounts. The pre-school in Thames Ditton parish closed in July 2020. Pre-schools continue to operate in the parishes of Chichester, Crawley and Haywards Heath. Total unrestricted funds were negative £0.4 million due to overdrafts at Wadhurst and Crawley (2019 £0.5 million). These overdrafts arose from planned capital works in previous years and are being managed downwards. Tangible assets account for £1.5 million (2019 £1.5 million).

#### Risk Assessment and Risk Management

During 2020 the Diocesan Trustees continued their oversight of the major risks to which the Trust is exposed. The risk register was extensively updated during 2020 to take account of the significant ongoing challenge from the coronavirus pandemic. The measures that have been put in place by Trustees and through the work of the Bishop and Episcopal Council maintain a careful watch on areas of risk.

The Safeguarding team continues training and monitoring activities to address the risk of safeguarding failures in relation to children and vulnerable adults. Their work is overseen by Trustees through the Safeguarding sub-committee. Health and Safety risks are overseen by a Health and Safety sub-committee. A cloud-based Health and Safety system is in use, allowing monitoring and support of parish compliance in this area.

The Trustees have focused particular attention on the key strategic risks facing the Diocese. These relate to the increasing burden on priests and Deans due to their greater responsibilities, and the

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2020

increased average age of clergy. Strategic risk is also recognised in relation to major issues that could cause failure in our Multi-Academy Trusts, and by the risk of abuse. The Pastoral Plan launched in 2018 is a direct response to the risks arising from the increasing demands on clergy and from reduced engagement from lay people. The ongoing oversight of the Education Service and Safeguarding team addresses the risks relating to schools and the risk of abuse.

#### **Investment Policy and Performance**

The Trust deed authorises the Trustees to make and hold investments using the general funds of the Diocese. The investment objective is that the real value of the Trust's assets should be maintained and enhanced over the long term to service the needs of the Trust. The overall risk is assessed to be medium, when viewed with the property and cash assets of the Trust.

The investment managers (Berenberg) manage the day to day management of the various Trust funds on a discretionary basis in line with the Diocesan Statement of Investment Principles (SIP). The SIP outlines the features of the Trust's two investment portfolios, the Multi Asset Investment Fund 1 (MAIF 1) and the Multi Asset Investment Fund 2 (MAIF 2). These differ in risk profile, with the first MAIF taking a medium/high approach to risk, balancing income and capital growth. MAIF 2 takes a low/medium approach to risk, with a focus on capital preservation. Target investment returns have been set at CPI+ 3.0% per annum for MAIF 1 and CPI+ 1.5% per annum for MAIF 2.

The ethical policy expressed in the SIP stipulates that investments will not be purchased in companies where arms, tobacco, contraception, pornography or gambling make up more than 10% of turnover. This restriction ensures that the Diocese will not be invested in companies dedicated to these products and services but allows investment in sectors such as retail, where a low percentage of trading may relate to these items. The SIP requires that no investments can be held in companies that perform abortion service, and that the investment managers will only invest in companies with responsible lending policies. In 2020 the SIP was updated to preclude holdings in companies engaged with the extraction or refining of Fossil Fuels.

The investment objectives for the connected Trusts are the same as those for the Diocese, and their portfolios are managed by Berenberg according to the risk approach of individual Trustees, with some preferring the low/medium risk profile of MAIF 2.

During the year an investment gain of £3.4 million arose (2019 £4.5 million). This was in line with the market.

#### **Reserves Policy**

The total funds are £97.2 million, of which £13.6 million relate to the connected Trusts.

Restricted funds total £8.4 million (Diocese £2.4 million and Parish and connected Trusts £6.0 million), particulars of which are set out in Notes 18 and 19 to the accounts. Permanent Endowment funds total £12.0 million (Diocese £0.9 million and connected Trusts £11.1 million), with particulars also set out in Notes 18 and 19 to the accounts.

Designated funds, wholly held by the Diocese, are £72.0 million and comprise the general unrestricted funds of the individual Parishes, £52.7 million and other designated funds totalling £19.3 million, of which the most substantial is the fixed asset fund of £12.4 million, followed by the retired priests' fund of £4.2 million.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2020

In Canon Law the Parishes have the right to acquire, retain, administer and alienate temporal goods. While the unrestricted funds of the individual Parishes could therefore be regarded as restricted at the Diocesan level, this might not be consistent with the civil law status of the Diocese as a single entity. In order to respect the special nature of these funds, the Trustees have designated these funds as relating to the individual Parishes from which they are derived.

The funds held by each of the 85 Parishes need to be held in order to provide working funds, to meet future expenditure (particularly on property maintenance) that will not be met by future income and, in some cases, to accumulate funds for a building programme. The properties held by Parishes comprise the Parish church or churches and, in most cases, a hall and presbytery. The maintenance costs of these properties can be substantial and frequently unpredictable. Excluding tangible fixed assets, the average amount of unrestricted funds held by Parishes is £208k (2019 £210k). The actual amounts held vary significantly above and below this average, but Parishes with funds surplus to immediate foreseeable requirements are able to provide support to Parishes in need of assistance, either directly or through the Diocese.

The unrestricted funds of the Trust are also utilised to provide land and buildings for both Central Diocese and the Schools. These funds are held in designated Fixed Asset funds of £12.4 million and £1.5 million respectively.

As stated in note 21, the Trustees consider that there is a constructive obligation to support priests in their retirement, but the provision required cannot be measured with sufficient reliability. The Trustees consider, however, that it is necessary to designate funds based on their best estimate of the possible future requirement. The designated fund for retired priests (£4.2 million at the year-end) is intended to provide (i) a fund to meet the cost of support of already retired priests and (ii) a fund that, with future transfers to the fund, will meet the cost of support in retirement for all currently serving priests, in both cases allowing for future inflation and interest. With further replenishment, the fund is projected to be expended over the lifespan of currently serving and retired priests.

The fund designated for Ecclesiastical Education is largely derived from donations from Parishes for the express purpose of ecclesiastical education. As these are intra-Trust donations they cannot be treated as restricted but, in order to respect the special nature of these funds, the Trustees have designated them accordingly. The fund was £0.6 million at year-end and is adequate, at present levels of expenditure, to cover the relevant costs for approximately five years.

The total of funds that can be realised only by disposing of tangible fixed assets is £56.3 million. These amounts are reflected in restricted, endowment and designated funds (i) as part of the overall funds of Parishes that are designated at Diocesan level and (ii) by a designated fund of the Central Diocese.

The reserves held after making allowance for any restricted funds, and the amount of designations, commitments (not provided for as a liability in the accounts) or the carrying amount of functional assets totalled £4.7 million. Although capable of utilisation across the relevant entities, these reserves were held as to (£0.5 million) by the Schools and £5.2 million by the Central Diocese.

The parish pre-schools reserves are not adequate to ensure their ongoing financial stability, and the three parishes that will continue to run pre-schools will underwrite their liabilities with parish reserves. The overdraft at Sacred Heart School has been incurred in relation to property projects approved by the Diocesan Finance Committee, with a repayment schedule agreed.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2020

The net costs of the Central Diocese are met in part by levies on parishes. Reserves are required to meet shortfalls in the income needed to meet current levels of expenditure. They are also needed to provide funding, by way of loans and/or grants to parishes and schools, principally for building and other development projects.

The Trustees have not determined a fixed amount of general reserves that are needed but consider that the reserves need to be maintained at least at the present level in order to meet possible shortfalls in income. The reserves need to be increased in order to be able to respond to requests from schools and Parishes for building and development funding, which is at present constrained by the level of reserves.

### FUTURE PLANS

The impact of the Covid-19 pandemic is likely to be felt for some time into the future and the Mission of the Diocese will need to adapt to new circumstances. It is likely that a small number of parishes will not, as a result of the financial impact of the pandemic, be financially viable. This will result in further engagement with parish communities that will lead to amalgamations with other parish communities and, perhaps, the closure of a small number of churches.

In the face of such challenges, the work of the Formation in Faith, that is at the heart of the Charity's work, will continue to grow in importance. Indeed, the time of the pandemic has brought many in society to re-examine their lives and the life and mission of the Diocese will need to respond in new ways to the needs of the wider society.

The Charity Trustees will need to consider the future central structures and plans are being developed to move all the Diocesan Offices onto one site. This will bring about economies of scale and also contribute to the work of the Diocese through improved communications and collaborative working. It is envisaged that the experience of the last year will also lead to a blended working model.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

The fixed assets and investments of the charity are vested in a Trust corporation as nominee for the charity with the Diocesan Trustees as the managing Trustees. There are ten managing Trustees. The Trust Corporation is the Arundel & Brighton Roman Catholic Diocesan Corporation Limited incorporated on 20th January 1969. The corporation is registered under the Companies Acts (No. 0946255) as limited by guarantee and not having share capital; the Diocesan Trustees are its members and directors.

**Trustees** The Bishop is empowered to appoint and remove all Trustees. The Trustee body comprises four clergy, one religious, and five laity of the faithful. The clergy Trustees are appointed for their expertise in parochial, spiritual and pastoral matters. Lay Trustees are selected for specialisms in business and education. Further lay Trustees would be chosen to match any perceived skill requirement and would be recruited on the recommendation of, inter alia, Trustees, the Finance Committee and Parish priests. New Trustees are provided with terms of reference and information relating to the constitution, governance and operation of the Trust. Trustees are expected to visit the central departments as well as being familiar with the work of Parishes. All decisions affecting the Trusts are made by the board of Trustees. The board has established various committees to advise it on aspects of the Trust's activities.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees receive training in charity governance and receive updates relating to the Charity Commission periodically.

**Finance Committee** The committee comprises two Trustees and five others who have expertise in financial, property and management matters. The committee meets eight times a year. The role of the committee is advisory to the Trustees on financial governance and asset management. The committee also acts as the Trustees' audit committee.

**Education Committee** The committee comprises the Bishop and ten others who have expertise in school education provided through the maintained and independent sectors. Members comprise governors, headteachers, clergy and a Trustee of the Diocese. The committee advises the Trustees on education policy issues, and meets three times a year.

**Council of Priests and College of Consultors** The priests in these two bodies advise the Bishop on strategic issues affecting the Parishes and Diocese.

**Episcopal Council** The Council comprises three Episcopal Vicars and the Vicar General, and meets with the Bishop monthly.

**Pastoral Commissions** There are several committees advising the Trustees on the wide range of pastoral activities undertaken by the Trust. These committees meet between one and four times a year.

**Parishes** The day to day administration of our Parishes is carried out by Parish clergy who are advised by their Parish finance committees. Significant matters are authorised by the Trustees, for example major property or capital expenditure.

The voluntary aided (maintained) schools and Academies of the Diocese are exempt charities that co-operate with the Trust in providing education in partnership with the UK Government.

#### **Remuneration Policy**

Annual pay changes are approved by the Trustees, and job roles and remuneration are reviewed periodically. Benchmarking against market rates is employed when new roles are created. Remuneration for key management roles is benchmarked against market rates when appointments are made and considered annually.

#### **Fundraising approach**

The Diocese does not engage in fundraising telephone or email campaigns. Funds are raised through collections at services and events, or through donations received via post, bank transfer or online giving. The Diocese is regulated by the Fundraising Regulator. No complaints about fundraising were received this year or during the prior year.

#### **Subsidiary Companies**

The Diocese has two wholly owned dependent companies: -

1) Diocese of Arundel & Brighton (Building Services) Ltd. The company was established to facilitate the management of building contracts for the Diocese. Its sales are only to the Diocese. The company provides its services approximately at cost, and therefore makes a minimal profit or loss. For the year ended 31 December 2020, the turnover of the company was £Nil (2019: £Nil) and there was a loss of £Nil, (2019: £Nil).

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## REPORT OF THE CHARITY TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2020

2) Arundel and Brighton Lourdes Pilgrimage Ltd The company manages the annual pilgrimage to Lourdes each year solely for Diocese parishioners and their helpers. The Diocese is the ultimate controlling party of the company. For the year ended 31 December 2020 the turnover of the company was £121,000 (2019 £469,000) and there was a profit of £45,000 (2019 loss of £39,000). During 2021 Arundel and Brighton Lourdes Pilgrimage Ltd was wound up, and its assets and liabilities transferred to the Diocesan Trust.

### STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the net movement in funds of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust deed dated 19th May 1967. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Diocesan Trustees on 21 July 2021 and signed as authorised on their behalf by:



The Right Reverend Richard Moth  
Bishop of Arundel & Brighton  
Chairman of Diocesan Trustees

## **Independent auditor's report to the trustees of Arundel and Brighton Diocesan Trust**

### **Opinion**

We have audited the financial statements of Arundel and Brighton Diocesan Trust for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of the charity'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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

## **Independent auditor's report to the trustees of Arundel and Brighton Diocesan Trust (continued)**

### **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 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 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 11**, 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.

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 charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon law, employment law and health and safety regulations, 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 Canon Law, the Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2015), FRS102 and payroll taxes.

## **Independent auditor's report to the trustees of Arundel and Brighton Diocesan Trust (continued)**

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

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

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the 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

*Haysmacintyre LLP*

10 Queen Street Place  
London EC4R 1AG

3 August 2021

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

ARUNDEL AND BRIGHTON DIOCESAN TRUST  
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Parishes		Total £'000	Central Diocese		Total £'000	Schools		Total £'000	2019 Total £'000
		Unrestricted £'000	Restricted £'000		Endowment £'000	Total £'000		Unrestricted £'000	Restricted £'000		
<b>INCOME AND ENDOWMENTS FROM</b>											
<b>Donations and legacies</b>											
2											
		6,918	561	7,479	206	101	-	307	2	-	8,860
		614	1	615	291	-	-	291	-	-	1,362
		324	39	363	324	6	-	330	207	-	131
<b>Charitable Activities</b>											
		75	-	75	-	88	-	88	-	-	480
		37	-	37	-	-	-	-	-	-	1,610
		1,230	-	1,230	199	-	-	199	2	-	2,574
		90	116	206	289	-	-	289	-	-	771
		504	-	504	361	-	-	361	-	-	241
		9,792	717	10,509	1,670	195	-	1,865	1,496	-	13,870
											16,029
<b>EXPENDITURE ON</b>											
<b>Raising funds</b>											
		127	-	127	54	-	-	54	-	-	296
<b>Charitable activities</b>											
		8,383	40	8,443	4,046	262	-	4,308	-	-	14,322
		-	-	-	-	-	-	-	1,340	-	1,605
		-	-	-	-	-	-	-	-	-	-
		8,510	40	8,570	4,100	262	-	4,362	1,340	-	16,223
		629	100	1,339	2,219	224	55	2,498	-	-	4,524
		1,911	777	3,278	(211)	157	55	1	156	-	4,330
		(2,094)	-	(2,094)	2,094	-	-	2,094	-	-	-
		(25)	(19)	(25)	65	-	-	65	(40)	-	-
		(2,119)	(19)	(2,119)	2,159	-	-	2,159	(40)	-	-
		(208)	758	1,159	1,948	157	55	2,160	116	-	4,330
		52,894	5,199	68,626	21,127	2,201	804	24,132	938	52	89,418
		52,686	5,957	69,785	23,075	2,358	859	26,292	1,054	52	97,183

**ARUNDEL AND BRIGHTON DIOCESAN TRUST  
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Parishes		Central Diocese		Schools		2018 Total £'000
		Unrestricted £'000	Restricted Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000	
<b>INCOME AND ENDOWMENTS FROM</b>								
<b>Donations and legacies</b>								
Collections and donations	2	8,084	642	130	3	1	8,860	9,222
Legacies		643	3	715	1	-	1,362	2,543
Grants	3	12	15	101	-	3	131	480
<b>Charitable Activities</b>								
Advancement of RC Faith	4	218	-	81	181	-	480	860
Education	5	37	-	-	-	-	1,610	8,051
<b>Other trading activities</b>	6	2,349	-	221	-	4	2,574	2,153
<b>Investment income</b>	7	110	273	388	-	-	771	589
<b>Net gain on disposal of assets</b>		6	-	235	-	-	241	4,264
<b>TOTAL</b>		11,459	933	1,871	185	1,581	16,029	28,162
<b>EXPENDITURE ON</b>								
<b>Raising funds</b>								
Charitable activities	8	296	-	-	-	-	296	527
Advancement of Roman Catholic Faith	8	9,109	708	4,379	126	-	14,322	14,471
Education	8	105	-	-	-	-	1,605	8,869
Grant to St Joseph's Specialist Trust							-	4,026
<b>TOTAL</b>		9,510	708	4,379	126	1,500	16,223	27,893
<b>Net gains/(losses) on investments</b>		704	102	2,686	272	-	4,524	(1,828)
<b>NET INCOME</b>		2,653	327	178	331	81	4,330	(1,559)
<b>TRANSFERS BETWEEN FUNDS</b>								
Transfers from parishes		(2,129)	-	2,080	-	49	-	-
Inter fund transfers		16	-	(16)	-	-	-	-
		(2,113)	-	2,064	-	49	-	-
<b>NET MOVEMENT IN FUNDS</b>		540	327	2,242	331	130	4,330	(1,559)
<b>RECONCILIATION OF FUNDS</b>								
Funds brought forward		52,354	4,872	18,885	1,870	808	89,418	90,977
<b>FUNDS CARRIED FORWARD</b>		52,894	5,199	21,127	2,201	938	93,748	89,418

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2019 £'000
<b>FIXED ASSETS</b>						
Tangible assets	13	41,847	12,896	1,525	<b>56,268</b>	56,067
Investments	14	13,788	23,169	-	<b>36,957</b>	33,080
		<u>55,635</u>	<u>36,065</u>	<u>1,525</u>	<u><b>93,225</b></u>	<u>89,147</u>
<b>CURRENT ASSETS</b>						
Debtors and prepayments	15	285	1,650	25	<b>1,960</b>	1,731
Cash at bank and on deposit		8,671	(3,009)	(147)	<b>5,515</b>	4,350
		<u>8,956</u>	<u>(1,359)</u>	<u>(122)</u>	<u><b>7,475</b></u>	<u>6,081</u>
<b>LESS LIABILITIES</b>						
Creditors - amounts falling due within one year	16	(793)	(2,427)	(297)	<b>(3,517)</b>	(1,480)
<b>PARISH LOAN ACCOUNTS</b>						
Due to Parishes		5,987	(5,987)	-	-	-
		<u>14,150</u>	<u>(9,773)</u>	<u>(419)</u>	<u><b>3,958</b></u>	<u>4,601</u>
<b>NET CURRENT ASSETS</b>						
		<u>14,150</u>	<u>(9,773)</u>	<u>(419)</u>	<u><b>3,958</b></u>	<u>4,601</u>
<b>TOTAL NET ASSETS</b>						
		<u>69,785</u>	<u>26,292</u>	<u>1,106</u>	<u><b>97,183</b></u>	<u>93,748</u>
<b>FUNDS OF THE CHARITY</b>						
Unrestricted funds						
General funds	17/18		5,114	(471)	<b>4,643</b>	2,418
Designated funds	17/18	52,686	17,961	1,525	<b>72,172</b>	72,541
	17/18	<b>52,686</b>	<b>23,075</b>	<b>1,054</b>	<b>76,815</b>	74,959
Restricted funds	17/18	5,957	2,358	52	<b>8,367</b>	7,452
Permanent endowment	17/18	11,142	859		<b>12,001</b>	11,337
<b>TOTAL CHARITY FUNDS</b>						
		<u>69,785</u>	<u>26,292</u>	<u>1,106</u>	<u><b>97,183</b></u>	<u>93,748</u>

Approved by the Trustees on 21 July 2021 and signed as authorised on their behalf by:



The Right Reverend Richard Moth  
Bishop of Arundel and Brighton  
Chairman of Trustees

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2019

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2018 Total £'000
<b>FIXED ASSETS</b>						
Tangible assets	13	41,873	12,719	1,475	<b>56,067</b>	53,716
Investments	14	12,274	20,806	-	<b>33,080</b>	28,390
		<u>54,147</u>	<u>33,525</u>	<u>1,475</u>	<u><b>89,147</b></u>	<u>82,106</u>
<b>CURRENT ASSETS</b>						
Debtors and prepayments	15	319	1,375	37	<b>1,731</b>	1,837
Cash at bank and on deposit		9,095	(4,377)	(368)	<b>4,350</b>	6,327
		<u>9,414</u>	<u>(3,002)</u>	<u>(331)</u>	<u><b>6,081</b></u>	<u>8,164</u>
<b>LESS LIABILITIES</b>						
Creditors - amounts falling due within one year	16	(671)	(655)	(154)	<b>(1,480)</b>	(852)
<b>PARISH LOAN ACCOUNTS</b>						
Due to Parishes		5,736	(5,736)	-	-	-
<b>NET CURRENT ASSETS</b>		<u>14,479</u>	<u>(9,393)</u>	<u>(485)</u>	<u><b>4,601</b></u>	<u>7,312</u>
<b>TOTAL NET ASSETS</b>		<u>68,626</u>	<u>24,132</u>	<u>990</u>	<u><b>93,748</b></u>	<u>89,418</u>
<b>FUNDS OF THE CHARITY</b>						
Unrestricted funds						
General funds	17/18		2,955	(537)	<b>2,418</b>	1,544
Designated funds	17/18	52,894	18,172	1,475	<b>72,541</b>	70,503
	17/18	<b>52,894</b>	<b>21,127</b>	<b>938</b>	<b>74,959</b>	72,047
Restricted funds	17/18	5,199	2,201	52	<b>7,452</b>	6,794
Permanent endowment	17/18	10,533	804		<b>11,337</b>	10,577
<b>TOTAL CHARITY FUNDS</b>		<u>68,626</u>	<u>24,132</u>	<u>990</u>	<u><b>93,748</b></u>	<u>89,418</u>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### Statement of Cash Flows

For the year ended 31st December 2020

	2020	2019
	£'000	£'000
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by (used in) operating activities</b>	45	(472)
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	495	771
Purchase of property, plant and equipment	(915)	(2,880)
Proceeds from sale of property, plant and equipment	1,579	770
Purchase of investments	(8,790)	(14,167)
Proceeds from sale of investments	8,751	14,001
<b>Net cash (used in) provided by investing activities</b>	1,120	(1,505)
<b>Net cash provided by financing activities</b>	-	-
Change in cash & cash equivalents in reporting period:	1,165	(1,977)
Cash & cash equivalents at beginning of reporting period:	4,350	6,327
<b>Cash &amp; cash equivalents at end of reporting period:</b>	<b>5,515</b>	<b>4,350</b>
<b>Reconciliation of net incoming resources to cash flow from operating activities</b>		
Net income/(expenditure) for reporting period (as in SOFA)	3,435	4,330
<b>Adjustments for:</b>		
Depreciation	-	-
(Surplus) or Deficit retained in Investment Portfolio	(3,838)	(4,524)
Dividends	(495)	(771)
Net (Gains) on Disposal of Fixed Assets	(865)	(241)
Decrease in Debtors	(229)	106
Increase/(Decrease) in Creditors	2,037	628
<b>Net cash used in operating activities</b>	<b>45</b>	<b>(472)</b>

#### ANALYSIS OF CHANGES IN CASH AT BANK AND IN HAND

	2020	Cash flow	2019
	£'000	£'000	£'000
Cash at Bank and in Hand	5,515	1,165	4,350

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## ACCOUNTING POLICIES

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of Accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019).

Arundel and Brighton Diocesan Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

##### 1.2 Preparation of the 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 for the foreseeable future.

##### 1.3 Subsidiary companies

All the turnover of the Diocese's wholly owned dependent company, the Diocese of Arundel & Brighton (Building Services) Limited, represents sales of building construction to the Diocese. The subsidiary has no material net assets or liabilities. Arundel & Brighton Lourdes Pilgrimage Limited arranges an annual pilgrimage to Lourdes for Diocesan faithful and has no material net assets or liabilities at the year end. There is no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiaries. The charity and its subsidiaries are not consolidated.

##### 1.4 Income

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

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

Government grant income represents the total amount claimed from HM Revenue & Customs under the Coronavirus Job Retention Scheme (CJRS). The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

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

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

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

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## ACCOUNTING POLICIES

### FOR THE YEAR ENDED 31 DECEMBER 2020

Income from charitable activities is recognised as earned as the related services are provided. Investment income is credited to income when it is receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

#### **1.5 Expenditure**

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

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

Charitable activities are advancement of the Roman Catholic Faith and education.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the Board, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Support costs are certain Finance Office costs which cannot be directly apportioned and are allocated on the basis of Trustees' estimates of time spent on relevant functions. Irrecoverable VAT is included with the category of expense to which it relates.

Governance activities comprise organisational administration and compliance with constitutional and statutory requirements. Costs include direct costs of external audit, legal fees and other professional advice.

#### **1.6 Tangible Fixed Assets**

Buildings held for use by the charity are included in the financial statements at original cost, where known, or at an estimate of original cost where actual figures are unavailable (see note 13). All new functional buildings and major improvements are capitalised where the cost of construction is greater than £100,000. Certain school properties owned by the Diocese are occupied and run by independent charities in the form of voluntary aided (maintained) schools. There are significant legal restrictions on the disposal of these properties under education legislation. The Trustees consider their ownership to be in the nature of custodianship of the assets and these are therefore not capitalised in the financial statements. The estimated original costs of furniture, equipment and motor vehicles are included in the financial statements.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## ACCOUNTING POLICIES

### FOR THE YEAR ENDED 31 DECEMBER 2020

An impairment review of buildings is performed annually to confirm whether a charge for depreciation should be recognised.

Realised gains/(losses) on disposal of fixed assets for charity use are included in the Statement of Financial Activities as income/expenditure. Unrealised gains and losses on fixed assets for charity use are included in the Statement of Financial Activities under gains and losses on revaluations and investment asset disposals.

#### **1.7 Investments**

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

#### **1.8 Voluntary Aided (Maintained) Schools Building Programme**

The Diocese administers some projects on behalf of the Governors of voluntary aided schools which are exempt charities. The financial responsibility remains with the Governors. The income and expenditure is conduit funding and as such is excluded from the Financial Statements of the Trust. Any contributions from the Diocese or its Parishes are recorded as grants to the Governors.

#### **1.9 Fund Accounting**

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

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

For the purpose of the civil administration of the charity, Parishes are not distinct legal entities but branches forming part of the administrative machinery of the main Diocesan charity, albeit that they have a degree of independence (see page 7). Parish funds and assets, unless held under distinct and express special Trusts evidenced in law, will be part of the Diocesan charity and will be the responsibility of the Diocesan Trustees. The Trustees may under normal legal principles delegate their management to Parish priests with limited authority. Such Parish funds are designated funds within the unrestricted funds.

In Canon Law the Parish is firmly set within the context of the Diocese C515(1) and the Parish priest exercises his ministry under the authority of the Bishop C519. A Parish erected in accordance with the law possesses public juridical personality by the law itself C515(3). In canon law the Parish has the right to acquire, retain, administer and alienate temporal goods C1255 which as ecclesiastical goods are subject to the norms of Canon Law C1257(1).

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

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## ACCOUNTING POLICIES

### FOR THE YEAR ENDED 31 DECEMBER 2020

The capital of permanent endowment funds (see Notes 18 and 19) 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.

Income from commercial activities is included in the period that the charity is entitled to receipt.

#### **1.10 Collections for Third Parties**

Where the charity does not have any discretion in collection and distribution of donations, and has no entitlement to the donation, then these amounts are conduit funding. Amounts and balances relating to conduit funding are not included in the accounts and balances of the charity.

#### **1.11 Recognised gains or losses**

All recognised gains or losses for year ended 31 December 2020 and 2019 are derived from continuing activities and are included in the Statement of Financial Activities.

#### **1.12 Debtors**

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

#### **1.13 Cash at bank and in hand**

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

#### **1.14 Creditors and provisions**

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

#### **1.15 Estimation uncertainty**

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year. No depreciation charge was recognised in relation to Diocesan properties during the year. By comparing recent market valuations on a number of properties to their holding value, the Trustees formed the judgement that the book value of properties was recoverable, and that it was not necessary to recognise any impairment.

#### **1.16 Financial instruments**

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

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 2. COLLECTIONS AND DONATIONS

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Parish offertory collections	5,303	6,634
Donations	1,256	803
Gift Aid tax recovered on collections and donations	1,303	1,423
	<hr/> 7,862	<hr/> 8,860

### 3. GRANTS

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Government Grants	463	-
Friends of Arundel Cathedral	58	50
Parishes various	77	42
Food Voucher Scheme	86	-
Other	216	39
	<hr/> 900	<hr/> 131

### 4. ADVANCEMENT OF THE ROMAN CATHOLIC FAITH (INCOME)

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Publications and repository sales	58	162
Other including courses and events	105	318
	<hr/> 163	<hr/> 480

### 5. EDUCATION (INCOME)

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Independent preparatory school (Sacred Heart Wadhurst)	1,285	976
Parish preschools	37	634
	<hr/> 1,322	<hr/> 1,610

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 6. OTHER TRADING ACTIVITIES

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Fund raising events	630	666
Lettings and sundry income	825	1,908
	<hr/>	<hr/>
	1,455	2,574
	<hr/>	<hr/>

#### 7. INVESTMENT INCOME

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Listed investments	463	702
Bank interest	32	69
	<hr/>	<hr/>
	495	771
	<hr/>	<hr/>

#### 8. CHARITABLE ACTIVITIES (EXPENDITURE) 2020

	Direct personnel	Direct other expenditure	Direct grants	Allocated support	2020 Total
	£'000	£'000	£'000	£'000	£'000
Fund raising	40	127	-	14	181
Advancement of Roman Catholic Faith	6,114	5,596	482	559	12,751
Education	1,105	92	17	126	1,340
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,259	5,815	499	699	14,272
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

#### CHARITABLE ACTIVITIES (EXPENDITURE) 2019

	Direct personnel	Direct other expenditure	Direct grants	Allocated support	2019 Total
	£'000	£'000	£'000	£'000	£'000
Fund raising	17	265	-	14	296
Advancement of Roman Catholic Faith	5,816	7,595	339	572	14,322
Education	1,246	126	105	128	1,605
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,079	7,986	444	714	16,223
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 9. CHARITABLE GRANTS

	2020 £'000	2019 £'000
Schools	22	105
Retired priests and housekeepers	33	37
UK Poor and sick	49	92
Overseas missions	43	51
Youth and pilgrimages	103	60
Ecumenical	19	8
Bishop's conference	30	-
St John's Seminary Womersley	44	24
Food Vouchers Scheme	86	-
Other	70	67
	<u>499</u>	<u>444</u>

#### 10. SUPPORT COSTS 2020

	Fund raising	Advancement of RC Faith	Education	Total	2019
	£'000	£'000	£'000	£'000	£'000
Governance	14	154	21	189	192
Finance Office	-	405	105	510	522
<b>TOTAL</b>	<u>14</u>	<u>559</u>	<u>126</u>	<u>699</u>	<u>714</u>

#### SUPPORT COSTS 2019

	Fund raising	Advancement of RC Faith	Education	Total	2018
	£'000	£'000	£'000	£'000	£'000
Governance	14	154	24	192	120
Finance Office	-	418	104	522	326
<b>TOTAL</b>	<u>14</u>	<u>572</u>	<u>128</u>	<u>714</u>	<u>446</u>

The Finance Office provides advice and help to Parishes, departments within Central Diocese and Schools. Services include accounting, banking, payroll, investment management, property, legal compliance, HR support and Health and Safety support. Costs have been allocated to activities based on the Trustees' estimate of staff time spent on these activities. Governance costs included fees paid to auditors as follows: audit fees: £39,000 (2019 £39,000), fees for other services £5,000 (2019 £5,000).

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 11. STAFF INFORMATION

##### 11.1 Staff costs

	Parish £'000	Central Diocese £'000	Schools £'000	TOTAL £'000	2019 £'000
Employee Salaries	1,498	1,543	868	3,909	3,987
Social Security	60	145	59	264	256
Pension Costs	114	175	112	401	379
Total Employee Costs	1,672	1,863	1,039	4,574	4,622
Clergy & Religious Costs	1,368	393	-	1,761	1,196
Travel & Office Costs	506	352	66	924	-
<b>TOTAL</b>	<b>3,546</b>	<b>2,608</b>	<b>1,105</b>	<b>7,259</b>	<b>7,079</b>

Key management personnel received salary and pension contributions of £266k (2019 £258k). Included in the staff costs above were redundancy costs of £29k (2019 £35k).

##### 11.2 Pension payments

The Diocese operates two pension schemes, a closed scheme where it contributes 15% of gross salary to a group personal pension scheme for staff members in the Parishes and Central Diocese and the auto-enrolment scheme whereby the employer contributes 5% and the employee contributes 4%. The scheme is a defined contributions scheme for which the Diocese is neither liable to finance any funding shortfall nor entitled to benefit from any over-funding. There were contributions outstanding at the year-end of £21k (2019 £25k).

The Diocese participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £50k (2019 £54k) and the contributions outstanding at the year-end amounted to £5k (2019 £5k).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The previous actuarial valuation of the TPS confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. The employers rate following the March 2016 actuarial valuation has now risen to 23.68%, this rise was implemented in September 2019.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

#### 11.3 Staff numbers

	Parish	Central Diocese	Schools	TOTAL	2019
Clergy & Religious	143	3	-	146	137
Employees - average weekly numbers	192	61	74	327	343
	335	64	74	473	480

#### 11.4 Employee emoluments

	Parish	Central Diocese	Schools	TOTAL	2019
Between £60,001 and £70,000		1		1	2
Between £70,001 and £80,000		1		1	-
Between £80,001 and £90,000					
Between £90,001 and £100,000		1		1	1
Between £100,001 and £110,000		1		1	1

## 12. TRUSTEES INFORMATION

The Trustees comprise four priests, one religious and five lay people as shown on page 2 of the Report. The priests receive income for their office together with living accommodation, living expenses and reimbursement of costs incurred on the same basis as other Diocesan priests. No Trustee receives any remuneration or benefits from his/her Trusteeship other than cover under the indemnity insurance purchased by the charity. One Trustee received fees of £680 (2019 £860). Trustee expenses of £36 were reimbursed during the year (2019 £571).

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 13. TANGIBLE FIXED ASSETS

	Freehold	Contents	Total	2019 Total
	£'000	£'000	£'000	£'000
<b>COST OR VALUATION</b>				
At 1 January	73,571	400	73,971	72,283
Additions	915	-	915	2,880
Disposals	(858)	(400)	(1,258)	(1,192)
At 31 December	73,628	-	73,628	73,971
<b>DEPRECIATION</b>				
At 1 January	17,504	400	17,904	18,567
Charge for year	-	-	-	-
Disposals	(144)	(400)	(544)	(663)
At 31 December	17,360	-	17,360	17,904
<b>NET BOOK VALUE</b>				
At 31 December 2020	56,268	-	56,268	56,067
At 1 January 2020	56,067	-	56,067	53,207

The Diocese has 50 maintained (voluntary aided) schools constituted as separate charities. In addition two Multi-Academy Trusts have been established as separate charities. A total of 18 Academies have joined the Trusts. The school properties (land and buildings) are vested in the Diocesan Trustees or the Trustees of three connected charities. These 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 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 consider that, for the purposes of these Financial Statements, the nature of their ownership is that of a custodianship and therefore these properties have not been capitalised. In addition, the Diocese leases two maintained schools from Religious Orders. A further school is a joint Anglican/Roman Catholic foundation. The Diocesan Directory lists all 65 maintained schools and Academies owned, leased or jointly administered by the Diocese. Apart from a small proportion used for management and administration, all fixed assets are used in direct furtherance of the charity's objects. Assets of Trusts are consolidated with the Diocesan accounts under Charity Commission uniting directions.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 14. INVESTMENTS

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Listed Investments	35,252	31,586
Cash Deposits	1,705	1,494
<b>TOTAL INVESTMENTS</b>	<b>36,957</b>	<b>33,080</b>

#### Summary of investments

	<b>2020</b>
	<b>£'000</b>
OPENING VALUATION 1 Jan 2020	33,080
Acquisitions at Cost	8,790
Proceeds of Sales less fund management fees	(8,751)
Gains/(Losses) during the year	3,837
<b>CLOSING VALUATION 31 Dec 2020</b>	<b>36,956</b>

#### 15. DEBTORS

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Advances to schools (£693k due after one year)	712	842
School Fee debtors	-	4
Gift Aid Small Donations Scheme grant	191	191
Inter Diocese Balances	375	-
Lourdes Pilgrimage Trust donation to be received	230	322
Other Debtors and Prepayments	452	372
	<b>1,960</b>	<b>1,731</b>

#### 16. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Parish Collections, Supplies and Accruals	336	432
Fees Paid in Advance	144	143
Inter Diocese Balances	375	-
Other Creditors	1,316	905
Government capital funding for allocation to schools	1,346	-
	<b>3,517</b>	<b>1,480</b>

School condition funding is now held and allocated by the Diocese (previously this was held by Local Authorities).

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 17. FUNDS NET ASSET ANALYSIS 2020

	Tangible assets £'000	Investments £'000	Net current assets £'000	2020 Total £'000
<b>UNRESTRICTED</b>				
Parishes	35,030	6,456	11,200	52,686
Central Diocese	12,364	20,427	(9,716)	23,075
Schools	1,525	-	(471)	1,054
	48,919	26,883	1,013	76,815
<b>RESTRICTED</b>				
Parishes	1,926	1,163	2,868	5,957
Central Diocese	211	2,205	(58)	2,358
Schools	-	-	52	52
	2,137	3,368	2,862	8,367
<b>ENDOWMENT</b>				
Parishes	4,891	6,169	82	11,142
Central Diocese	321	537	1	859
	5,212	6,706	83	12,001
<b>TOTAL FUNDS</b>	56,268	36,957	3,958	97,183

#### FUNDS NET ASSET ANALYSIS 2019

	Tangible assets £'000	Investments £'000	Net current assets £'000	2019 Total £'000
<b>UNRESTRICTED</b>				
Parishes	35,056	5,624	12,214	52,894
Central Diocese	12,187	18,347	(9,407)	21,127
Schools	1,475	-	(537)	938
	48,718	23,971	2,270	74,959
<b>RESTRICTED</b>				
Parishes	1,926	1,068	2,205	5,199
Central Diocese	211	1,977	13	2,201
Schools	-	-	52	52
	2,137	3,045	2,270	7,452
<b>ENDOWMENT</b>				
Parishes	4,891	5,582	60	10,533
Central Diocese	321	482	1	804
	5,212	6,064	61	11,337
<b>TOTAL FUNDS</b>	56,067	33,080	4,601	93,748

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 18. FUNDS ANALYSIS 2020

	Opening balance £000s	Income £000s	Expenditure £000s	Investment gains / (losses) £000s	Transfers £000s	Closing balance £000s
<b>UNRESTRICTED GENERAL FUNDS</b>						
Parishes (see note)						
Central	2,955	1,670	(3,542)	2,219	1,812	5,114
Schools	(537)	1,496	(1,340)	-	(90)	(471)
	<b>2,418</b>	<b>3,166</b>	<b>(4,882)</b>	<b>2,219</b>	<b>1,722</b>	<b>4,643</b>
<b>UNRESTRICTED DESIGNATED FUNDS</b>						
Parishes (see note)	52,894	9,792	(8,510)	629	(2,119)	52,686
Central						
Retired priests	4,536	-	(409)	-	150	4,277
Ecclesiastical education	607	-	(149)	-	150	608
Fixed Assets	12,187	-	-	-	177	12,364
Advances	842	-	-	-	(130)	712
Schools	1,475	-	-	-	50	1,525
	<b>72,541</b>	<b>9,792</b>	<b>(9,068)</b>	<b>629</b>	<b>(1,722)</b>	<b>72,172</b>
	<b>74,959</b>	<b>12,958</b>	<b>(13,950)</b>	<b>2,848</b>	<b>-</b>	<b>76,815</b>
<b>TOTAL UNRESTRICTED FUNDS</b>						
<b>RESTRICTED FUNDS</b>						
Parishes						
Parishes within Diocesan Trust	2,187	635	-	20	41	2,883
Trusts connected with Parishes	2,383	5	(4)	54	(12)	2,426
Endowment trusts restricted income	629	77	(36)	26	(48)	648
	<b>5,199</b>	<b>717</b>	<b>(40)</b>	<b>100</b>	<b>(19)</b>	<b>5,957</b>
Central						
Poor	530	6	-	89	-	625
Retired Priests	-	101	(101)	-	-	-
Lourdes Pilgrimage	661	77	(103)	-	-	635
Foundation Masses	515	-	-	59	-	574
Ecclesiastical Education	55	3	(58)	-	-	-
Education	93	-	-	76	-	169
UBS Chaplaincies	127	-	-	-	-	127
Others	9	8	-	-	-	17
Trusts connected with Central	211	-	-	-	-	211
	<b>2,201</b>	<b>195</b>	<b>(262)</b>	<b>224</b>	<b>-</b>	<b>2,358</b>
Schools						
Catholic Education promotion	52	-	-	-	-	52
	<b>7,452</b>	<b>912</b>	<b>(302)</b>	<b>324</b>	<b>(19)</b>	<b>8,367</b>
<b>TOTAL RESTRICTED FUNDS</b>						
<b>ENDOWMENT FUNDS</b>						
Parishes						
Parishes within Diocesan Trust	1,041	-	-	102	-	1,143
Trusts connected with Parishes	9,492	-	(20)	508	19	9,999
	<b>10,533</b>	<b>-</b>	<b>(20)</b>	<b>610</b>	<b>19</b>	<b>11,142</b>
Central						
Episcopal administration	375	-	-	43	-	418
Ecclesiastical education	107	-	-	12	-	119
Trusts connected with Central	322	-	-	-	-	322
	<b>804</b>	<b>-</b>	<b>-</b>	<b>55</b>	<b>-</b>	<b>859</b>
	<b>11,337</b>	<b>-</b>	<b>(20)</b>	<b>665</b>	<b>19</b>	<b>12,001</b>
<b>TOTAL ENDOWMENT FUNDS</b>						
<b>TOTAL ALL FUNDS</b>						
	<b>93,748</b>	<b>13,870</b>	<b>(14,272)</b>	<b>3,837</b>	<b>-</b>	<b>97,183</b>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### **Unrestricted designated funds**

The Trustees have set aside designated funds out of unrestricted funds to ensure that certain activities or responsibilities of the Trust are adequately financed.

Parishes - in Canon Law each parish has a distinct legal personality and is administered by the parish priest under the authority of the Bishop. In Canon Law a parish can acquire and dispose of assets in its own right. The Trustees regard parish unrestricted funds as designated funds. Parishes transferred £1.7 million to the Central Diocese to support Central activities.

Retired Priests - to support priests in retirement with accommodation and nursing needs.

Ecclesiastical Education - for the education of students to the priesthood and continuing formation.

Fixed Assets – for the provision of land and buildings for use in the activities of the Diocese. A separate fund is designated for fixed assets used by Schools.

Advances – to provide long-term loans to schools to finance development programmes.

#### **Restricted funds**

In the Parishes these mainly relate to funds raised for specific parish building projects.

In the Central Diocese funds are restricted for the following purposes:

Poor - Aid to poor religious orders and laity

Foundation Masses - Clergy stipends for Masses celebrated on the anniversary of the deceased

Ecclesiastical Education - created from legacies for training priests and promoting vocations to the priesthood

Universities of Brighton & Sussex Chaplaincies - created from donation from Trust to maintain Chaplaincy building and facilities

Lourdes Pilgrimage – for promoting and organising pilgrimages to Lourdes

#### **Permanent endowment funds**

Eight parishes have connected permanent endowment trusts for their support. See note 19.

In the Central Diocese permanent endowment trusts exist for Episcopal Administration – the support of the Bishop's establishment and office and Ecclesiastical Education – the training of students to the priesthood. The Buckley Trust provides support for retired priests.

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 18. FUNDS ANALYSIS 2019

	Opening balance £000s	Income £000s	Expenditure £000s	Investment gains / (losses) £000s	Transfers £000s	Closing balance £000s
<b>UNRESTRICTED GENERAL FUNDS</b>						
Parishes (see note)						
Central	2,203	1,856	(3,773)	2,686	(17)	2,955
Schools	(659)	1,581	(1,500)	-	41	(537)
	1,544	3,437	(5,273)	2,686	24	2,418
<b>UNRESTRICTED DESIGNATED FUNDS</b>						
Parishes (see note)	52,354	11,459	(9,510)	704	(2,113)	52,894
Central						
Retired priests	4,791	7	(428)	-	166	4,536
Ecclesiastical education	675	8	(178)	-	102	607
Education	-	-	-	-	-	-
Fixed Assets	10,192	-	-	-	1,995	12,187
Advances	1,024	-	-	-	(182)	842
Schools						
Fixed Assets	1,467	-	-	-	8	1,475
	70,503	11,474	(10,116)	704	(24)	72,541
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>72,047</b>	<b>14,911</b>	<b>(15,389)</b>	<b>3,390</b>	<b>-</b>	<b>74,959</b>
<b>RESTRICTED FUNDS</b>						
Parishes						
Parishes within Diocesan Trust	1,988	849	(669)	19	-	2,187
Trusts connected with Parishes	2,324	7	(2)	54	-	2,383
Endowment trusts restricted income	560	77	(37)	29	-	629
	4,872	933	(708)	102	-	5,199
Central						
Poor	450	36	(65)	109	-	530
Lourdes Pilgrimage	573	149	(61)	-	-	661
Foundation Masses	445	-	-	70	-	515
Ecclesiastical Education	55	-	-	-	-	55
Education	-	-	-	93	-	93
UBS Chaplaincies	127	-	-	-	-	127
Others	9	-	-	-	-	9
Trusts connected with Central	211	-	-	-	-	211
	1,870	185	(126)	272	-	2,201
Schools						
Catholic Education promotion	52	-	-	-	-	52
<b>TOTAL RESTRICTED FUNDS</b>	<b>6,794</b>	<b>1,118</b>	<b>(834)</b>	<b>374</b>	<b>-</b>	<b>7,452</b>
<b>ENDOWMENT FUNDS</b>						
Parishes						
Parishes within Diocesan Trust	876	-	-	165	-	1,041
Trusts connected with Parishes	8,964	-	-	528	-	9,492
	9,840	-	-	693	-	10,533
Central						
Episcopal administration	323	-	-	52	-	375
Ecclesiastical education	92	-	-	15	-	107
Trusts connected with Central	322	-	-	-	-	322
	737	-	-	67	-	804
<b>TOTAL ENDOWMENT FUNDS</b>	<b>10,577</b>	<b>-</b>	<b>-</b>	<b>760</b>	<b>-</b>	<b>11,337</b>
<b>TOTAL ALL FUNDS</b>	<b>89,418</b>	<b>16,029</b>	<b>(16,223)</b>	<b>4,524</b>	<b>-</b>	<b>93,748</b>

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 19. CONNECTED TRUSTS

##### Note 19 Funds analysis of Connected Trusts

Trust	Beneficiary	Nature	Opening balance £'000	Income £'000	Expenditure £'000	Investment gains / (losses) £'000	Transfers £'000	Closing balance 2020 £'000
<b>RESTRICTED</b>								
Ashburnham	Battle	Land and investments	702	5	(4)	54	(12)	745
Elmer	Retired priests	Land	211					211
Gaisford	Worthing	Land	10					10
Grant	St Leonard's	Land	135					135
Hyland	Godalming	Land	58					58
Munster	Keymer	Land	38					38
Norfolk	Dorking	Land	2					2
Norfolk	Horsham	Land	934					934
Salvin	Sutton Park	Land	246					246
Stacpole	Caterham	Land	258					258
			<b>2,594</b>	<b>5</b>	<b>(4)</b>	<b>54</b>	<b>(12)</b>	<b>2,637</b>
<b>PERMANENT ENDOWMENT RESTRICTED INCOME</b>								
Bedingfeld	Duncton	Investments	14	18	(9)			23
Biddulph Education	Duncton	Investments	55	9	(9)			55
Buckley	Retired priests	Land and investments	-					-
Cemetery	Burwash	Land and investments	-					-
Hope	Hérons Ghyll	Land and investments	42	3				45
Lang	Oxted	Land and investments	-					-
Leslie	Slindon	Land and investments	8	11	(15)			4
Norfolk	Angmering	Land and investments	442	5	(3)	26		470
Norfolk 1901	Littlehampton	Investments	3	3			(5)	1
Norfolk Cemetery	Arundel	Land and investments	-					-
Norfolk Cemetery	Houghton	Land and investments	27					27
Scawen Blunt	Crawley	Land and investments	38	28			(43)	23
			<b>629</b>	<b>77</b>	<b>(36)</b>	<b>26</b>	<b>(48)</b>	<b>648</b>
<b>PERMANENT ENDOWMENT</b>								
Bedingfeld	Duncton	Investments	238		(2)	28		264
Biddulph	Duncton	Land	1					1
Biddulph Education	Duncton	Investments	636		(3)	60		693
Buckley	Retired priests	Land	322					322
Cemetery	Burwash	Land and investments	6					6
Hope	Hérons Ghyll	Land and investments	364		(2)	44		406
Lang	Oxted	Land and investments	1,161					1,161
Leslie	Slindon	Land and investments	527			42		569
Norfolk	Arundel	Land	799					799
Norfolk	Littlehampton	Land	168					168
Norfolk 1901	Littlehampton	Investments	287		(2)	17	5	307
Norfolk Cemetery	Arundel	Land and investments	876			5		881
Norfolk Cemetery	Houghton	Land and investments	7			1		8
Pauling	Effingham	Land	647					647
Scawen Blunt	Crawley	Land and investments	3,775		(11)	311	14	4,089
			<b>9,814</b>	<b>-</b>	<b>(20)</b>	<b>508</b>	<b>19</b>	<b>10,321</b>
<b>TOTAL CONNECTED TRUSTS</b>			<b>13,037</b>	<b>82</b>	<b>(60)</b>	<b>588</b>	<b>(41)</b>	<b>13,606</b>

In addition, the following trusts comprise land holdings only for schools and/or cemeteries:

- St Joseph's primary school trust in Haywards Heath
- Fairlight cemetery trust near Hastings (permanent endowment)
- Marist primary school trust in West Byfleet
- Education trust for Diocese
- Norfolk trust for school and cemetery in Angmering

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 20. COMMITMENTS GUARANTEES AND CONTINGENCIES

**Capital commitments:** At 31 December 2020 there were no capital commitments on Parish properties, maintained or independent schools (2019 Nil).

**Contingent Liability:** The Diocese provides support to its retired priests, in line with established Diocesan practice and in accordance with Canon Law requirements. In the opinion of the Trustees, this constitutes a constructive obligation, as defined by the Charities SORP (FRS 102). The amount of this obligation cannot be measured with sufficient reliability as the support required by individual priests will vary considerably, particularly depending on whether any third-party care is needed.

#### 21. SUBSIDIARY COMPANIES

##### DIOCESE OF ARUNDEL & BRIGHTON (BUILDING SERVICES) LIMITED

The wholly owned trading subsidiary was incorporated in the United Kingdom in 1991 (Reg No 2576444). The company manages building contracts on behalf of the Diocese. The Diocese owns all the issued share capital of two ordinary shares. A summary of the trading results is shown below.

All the turnover of the Diocese's wholly owned subsidiary, the Diocese of Arundel & Brighton (Building Services) Limited, represents sales of building construction to the Diocese. The subsidiary has no material net assets or liabilities and there is therefore no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary. The charity and its subsidiary are not consolidated.

#### SUMMARY ACCOUNTS

	2020 £'000	2019 £'000
Turnover	-	-
Less: Cost of Sales and Administrative Expenses	-	-
Retained Profit/(Loss) for the Year	0	0
The assets and liabilities of the subsidiary were:		
Tangible Assets		
Current assets	-	-
Creditors - amounts falling due within one year	(6)	(6)
Total Net Assets	(6)	(6)
Aggregate share capital and reserves	(6)	(6)

# ARUNDEL AND BRIGHTON DIOCESAN TRUST

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### ARUNDEL AND BRIGHTON LOURDES PILGRIMAGE LTD

The wholly owned trading subsidiary was incorporated in the United Kingdom (Reg No 2998831). The company manages the annual pilgrimage to Lourdes each year solely for Diocese parishioners and their helpers. The Diocese is the ultimate controlling party of the company. A summary of the trading results is shown below.

All the turnover of the Diocese's wholly owned subsidiary, the Arundel and Brighton Lourdes Pilgrimage Ltd, represents income from the pilgrimage to Lourdes including accommodation, flights and nursing care for the pilgrims. The subsidiary has no material net assets or liabilities and there is therefore no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary. The charity and its subsidiary are not consolidated.

The pilgrimage to Lourdes was unable to proceed in 2020 and 2021 because of travel restrictions arising from the coronavirus pandemic. The company directors resolved to wind up the company during 2021, passing its trading, assets and liabilities to the Diocesan Trust.

### SUMMARY ACCOUNTS

	<b>2020</b> <b>£'000</b>	2019 £'000
Turnover	121	469
Less: Cost of Sales and Administrative Expenses	(76)	(508)
Retained Profit/(Loss) for the Year	45	(39)
The assets and liabilities of the subsidiary were:		
Tangible Assets	2	3
Current assets	265	288
Creditors - amounts falling due within one year	(267)	(324)
Total Net Assets	<b>0</b>	<b>(33)</b>
Aggregate share capital and reserves	<b>0</b>	<b>(33)</b>