

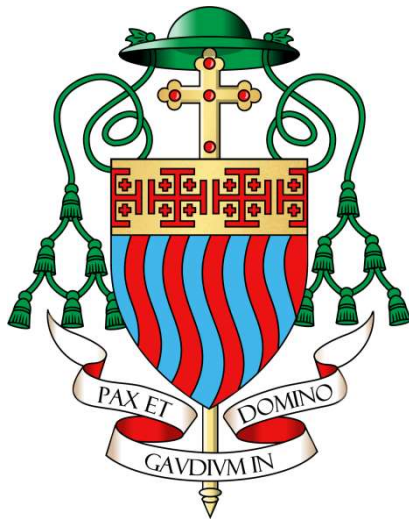
ARUNDEL AND BRIGHTON DIOCESAN TRUST
Registered Charity No. 252878

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

CONTENTS	PAGE
Report of the Charity Trustees	3
Report of the Auditors	12
Statement of Financial Activities	15
Balance Sheet	17
Statement of Cash Flows	19
Accounting Policies	20
Notes to Accounts	24

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. 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

Page | 15

ARUNDEL AND BRIGHTON DIOCESAN TRUST

Note	Parishes			Central Diocese			Total £'000	Schools		Total £'000
	Unrestricted £'000	Restricted £'000	Endowment £'000	Unrestricted £'000	Restricted £'000	Endowment £'000		Unrestricted £'000	Restricted £'000	
INCOME AND ENDOWMENTS FROM										
Donations and legacies										
2	8,084	642	-	130	3	-	133	1	-	8,860
	643	3	-	715	1	-	716	-	-	1,362
3	12	15	-	101	-	-	101	3	-	480
Charitable Activities										
4	218	-	-	81	181	-	262	-	-	860
5	37	-	-	-	-	-	-	1,573	-	1,610
6	2,349	-	-	221	-	-	221	4	-	2,574
7	110	273	-	388	-	-	388	-	-	771
	6	-	-	235	-	-	235	-	-	241
	11,459	933	-	1,871	185	-	2,056	1,581	-	16,029
TOTAL										
EXPENDITURE ON										
Raising funds										
8	296	-	-	-	-	-	-	-	-	296
Charitable activities										
8	9,109	708	-	4,379	126	-	4,505	-	-	14,322
8	105	-	-	-	-	-	-	1,500	-	1,605
				-				-	-	-
TOTAL										
	9,510	708	-	4,379	126	-	4,505	1,500	-	16,223
Net gains/(losses) on investments										
	704	102	693	2,686	272	67	3,025	-	-	4,524
NET INCOME										
	2,653	327	693	178	331	67	576	81	-	4,330
TRANSFERS BETWEEN FUNDS										
	(2,129)	-	-	2,080	-	-	2,080	49	-	-
	16	-	-	(16)	-	-	(16)	-	-	-
	(2,113)	-	-	2,064	-	-	2,064	49	-	-
NET MOVEMENT IN FUNDS										
	540	327	693	2,242	331	67	2,640	130	-	4,330
RECONCILIATION OF FUNDS										
	52,354	4,872	9,840	18,885	1,870	737	21,492	808	52	89,418
FUNDS CARRIED FORWARD										
	52,894	5,199	10,533	21,127	2,201	804	24,132	938	52	93,748

ARUNDEL AND BRIGHTON DIOCESAN TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Note	Parishes £'000	Central Diocese £'000	Schools £'000	Total £'000	2019 £'000
FIXED ASSETS						
Tangible assets	13	41,847	12,896	1,525	56,268	56,067
Investments	14	13,788	23,169	-	36,957	33,080
		<u>55,635</u>	<u>36,065</u>	<u>1,525</u>	<u>93,225</u>	<u>89,147</u>
CURRENT ASSETS						
Debtors and prepayments	15	285	1,650	25	1,960	1,731
Cash at bank and on deposit		8,671	(3,009)	(147)	5,515	4,350
		<u>8,956</u>	<u>(1,359)</u>	<u>(122)</u>	<u>7,475</u>	<u>6,081</u>
LESS LIABILITIES						
Creditors - amounts falling due within one year	16	(793)	(2,427)	(297)	(3,517)	(1,480)
PARISH LOAN ACCOUNTS						
Due to Parishes		5,987	(5,987)	-	-	-
NET CURRENT ASSETS		<u>14,150</u>	<u>(9,773)</u>	<u>(419)</u>	<u>3,958</u>	<u>4,601</u>
TOTAL NET ASSETS		<u>69,785</u>	<u>26,292</u>	<u>1,106</u>	<u>97,183</u>	<u>93,748</u>
FUNDS OF THE CHARITY						
Unrestricted funds						
General funds	17/18		5,114	(471)	4,643	2,418
Designated funds	17/18	52,686	17,961	1,525	72,172	72,541
	17/18	52,686	23,075	1,054	76,815	74,959
Restricted funds	17/18	5,957	2,358	52	8,367	7,452
Permanent endowment	17/18	11,142	859		12,001	11,337
TOTAL CHARITY FUNDS		<u>69,785</u>	<u>26,292</u>	<u>1,106</u>	<u>97,183</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
FIXED ASSETS						
Tangible assets	13	41,873	12,719	1,475	56,067	53,716
Investments	14	12,274	20,806	-	33,080	28,390
		<u>54,147</u>	<u>33,525</u>	<u>1,475</u>	<u>89,147</u>	<u>82,106</u>
CURRENT ASSETS						
Debtors and prepayments	15	319	1,375	37	1,731	1,837
Cash at bank and on deposit		9,095	(4,377)	(368)	4,350	6,327
		<u>9,414</u>	<u>(3,002)</u>	<u>(331)</u>	<u>6,081</u>	<u>8,164</u>
LESS LIABILITIES						
Creditors - amounts falling due within one year	16	(671)	(655)	(154)	(1,480)	(852)
PARISH LOAN ACCOUNTS						
Due to Parishes		5,736	(5,736)	-	-	-
NET CURRENT ASSETS		<u>14,479</u>	<u>(9,393)</u>	<u>(485)</u>	<u>4,601</u>	<u>7,312</u>
TOTAL NET ASSETS		<u>68,626</u>	<u>24,132</u>	<u>990</u>	<u>93,748</u>	<u>89,418</u>
FUNDS OF THE CHARITY						
Unrestricted funds						
General funds	17/18		2,955	(537)	2,418	1,544
Designated funds	17/18	52,894	18,172	1,475	72,541	70,503
	17/18	52,894	21,127	938	74,959	72,047
Restricted funds	17/18	5,199	2,201	52	7,452	6,794
Permanent endowment	17/18	10,533	804		11,337	10,577
TOTAL CHARITY FUNDS		<u>68,626</u>	<u>24,132</u>	<u>990</u>	<u>93,748</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
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	45	(472)
Cash flows from investing activities		
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
Net cash (used in) provided by investing activities	1,120	(1,505)
Net cash provided by financing activities	-	-
Change in cash & cash equivalents in reporting period:	1,165	(1,977)
Cash & cash equivalents at beginning of reporting period:	4,350	6,327
Cash & cash equivalents at end of reporting period:	5,515	4,350
Reconciliation of net incoming resources to cash flow from operating activities		
Net income/(expenditure) for reporting period (as in SOFA)	3,435	4,330
Adjustments for:		
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
Net cash used in operating activities	45	(472)

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

	2020	2019
	£'000	£'000
Parish offertory collections	5,303	6,634
Donations	1,256	803
Gift Aid tax recovered on collections and donations	1,303	1,423
	<hr/>	<hr/>
	7,862	8,860

3. GRANTS

	2020	2019
	£'000	£'000
Government Grants	463	-
Friends of Arundel Cathedral	58	50
Parishes various	77	42
Food Voucher Scheme	86	-
Other	216	39
	<hr/>	<hr/>
	900	131

4. ADVANCEMENT OF THE ROMAN CATHOLIC FAITH (INCOME)

	2020	2019
	£'000	£'000
Publications and repository sales	58	162
Other including courses and events	105	318
	<hr/>	<hr/>
	163	480

5. EDUCATION (INCOME)

	2020	2019
	£'000	£'000
Independent preparatory school (Sacred Heart Wadhurst)	1,285	976
Parish preschools	37	634
	<hr/>	<hr/>
	1,322	1,610

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

6. OTHER TRADING ACTIVITIES

	2020 £'000	2019 £'000
Fund raising events	630	666
Lettings and sundry income	825	1,908
	<hr/> 1,455	<hr/> 2,574

7. INVESTMENT INCOME

	2020 £'000	2019 £'000
Listed investments	463	702
Bank interest	32	69
	<hr/> 495	<hr/> 771

8. CHARITABLE ACTIVITIES (EXPENDITURE) 2020

	Direct personnel £'000	Direct other expenditure £'000	Direct grants £'000	Allocated support £'000	2020 Total £'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/> 7,259	<hr/> 5,815	<hr/> 499	<hr/> 699	<hr/> 14,272

CHARITABLE ACTIVITIES (EXPENDITURE) 2019

	Direct personnel £'000	Direct other expenditure £'000	Direct grants £'000	Allocated support £'000	2019 Total £'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/> 7,079	<hr/> 7,986	<hr/> 444	<hr/> 714	<hr/> 16,223

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 £'000	Advancement of RC Faith £'000	Education £'000	Total £'000	2019 £'000
Governance	14	154	21	189	192
Finance Office	-	405	105	510	522
TOTAL	14	559	126	699	714

SUPPORT COSTS 2019

	Fund raising £'000	Advancement of RC Faith £'000	Education £'000	Total £'000	2018 £'000
Governance	14	154	24	192	120
Finance Office	-	418	104	522	326
TOTAL	14	572	128	714	446

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	-
TOTAL	3,546	2,608	1,105	7,259	1,261

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
COST OR VALUATION				
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
DEPRECIATION				
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
NET BOOK VALUE				
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

	2020 £'000	2019 £'000
Listed Investments	35,252	31,586
Cash Deposits	1,705	1,494
TOTAL INVESTMENTS	36,957	33,080

Summary of investments

	2020 £'000
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
CLOSING VALUATION 31 Dec 2020	36,956

15. DEBTORS

	2020 £'000	2019 £'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
	1,960	1,731

16. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £'000	2019 £'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	-
	3,517	1,480

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
UNRESTRICTED				
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
RESTRICTED				
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
ENDOWMENT				
Parishes	4,891	6,169	82	11,142
Central Diocese	321	537	1	859
	5,212	6,706	83	12,001
TOTAL FUNDS	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
UNRESTRICTED				
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
RESTRICTED				
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
ENDOWMENT				
Parishes	4,891	5,582	60	10,533
Central Diocese	321	482	1	804
	5,212	6,064	61	11,337
TOTAL FUNDS	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
UNRESTRICTED GENERAL FUNDS							
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
UNRESTRICTED DESIGNATED FUNDS							
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
TOTAL UNRESTRICTED FUNDS							
RESTRICTED FUNDS							
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
TOTAL RESTRICTED FUNDS							
ENDOWMENT FUNDS							
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
TOTAL ENDOWMENT FUNDS							
		11,337	-	(20)	665	19	12,001
TOTAL ALL FUNDS							
		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 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
UNRESTRICTED GENERAL FUNDS						
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
UNRESTRICTED DESIGNATED FUNDS						
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
TOTAL UNRESTRICTED FUNDS	72,047	14,911	(15,389)	3,390	-	74,959
RESTRICTED FUNDS						
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
TOTAL RESTRICTED FUNDS	6,794	1,118	(834)	374	-	7,452
ENDOWMENT FUNDS						
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
TOTAL ENDOWMENT FUNDS	10,577	-	-	760	-	11,337
TOTAL ALL FUNDS	89,418	16,029	(16,223)	4,524	-	93,748

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
RESTRICTED								
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
			2,594	5	(4)	54	(12)	2,637
PERMANENT ENDOWMENT RESTRICTED INCOME								
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	Heron's 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
			629	77	(36)	26	(48)	648
PERMANENT ENDOWMENT								
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	Heron's 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
			9,814	-	(20)	508	19	10,321
TOTAL CONNECTED TRUSTS			13,037	82	(60)	588	(41)	13,606

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

	2020 £'000	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	0	(33)
Aggregate share capital and reserves	0	(33)