

# ANNUAL REPORT & ACCOUNTS

Incorporating Thirty Connected Trusts under  
Charity Commission Uniting Directions



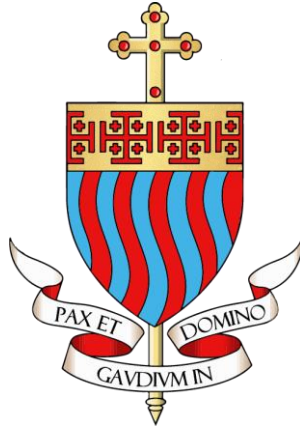
For the year ended 31 December 2023



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**

<b>CONTENTS</b>	<b>PAGE</b>
Report of the Charity Trustees	3
Report of the Auditors	14
Statement of Financial Activities	17
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.

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

Note	Parishes		Total £'000	Central Diocese			Schools		Total £'000	Total £'000	2022 Total £'000
	Unrestricted £'000	Restricted £'000		Endowment £'000	Unrestricted £'000	Restricted £'000	Unrestricted £'000	Restricted £'000			
INCOME AND ENDOWMENTS FROM											
Donations and legacies											
2	7,900	1,332	9,232	204	164	-	368	8	9,608	12,074	
	(456)	680	224	119	-	-	119	-	343	2,484	
3	85	65	150	55	6	-	61	233	444	320	
Charitable Activities											
4	192	-	192	38	-	-	38	-	230	227	
5	62	-	62	-	-	-	-	1,632	1,694	1,697	
6	2,223	-	2,223	696	-	-	696	17	2,936	2,497	
7	229	176	405	743	4	-	747	-	1,152	405	
	679	-	679	36	-	-	36	-	715	628	
	Net gain on disposal of assets										
	10,914	2,253	13,167	1,891	174	-	2,065	1,890	17,122	20,332	
TOTAL											
EXPENDITURE ON											
Raising funds											
8	115	-	115	218	-	-	218	-	333	177	
Charitable activities											
8	9,912	1,189	11,117	4,806	160	-	4,966	-	16,083	16,120	
8	-	-	-	-	-	-	-	1,723	1,723	1,756	
	10,027	1,189	11,232	5,024	160	-	5,184	1,723	18,139	18,053	
TOTAL											
Net gains/(losses) on investments											
	470	82	935	1,531	71	33	1,635	-	2,570	(7,368)	
NET INCOME											
	1,357	1,146	2,870	(1,602)	85	33	(1,484)	167	1,553	(5,089)	
TRANSFERS BETWEEN FUNDS											
	(2,277)	-	(2,277)	2,277	-	-	2,277	-	-	-	
	60	(43)	(17)	-	-	-	-	-	-	-	
	(2,217)	(43)	(2,277)	2,277	-	-	2,277	-	-	-	
NET MOVEMENT IN FUNDS											
RECONCILIATION OF FUNDS											
	(860)	1,103	593	675	85	33	793	167	1,553	(5,089)	
	53,275	6,460	69,783	21,686	1,768	766	24,220	1,543	95,598	100,687	
Funds brought forward											
	52,415	7,563	70,376	22,361	1,853	799	25,013	1,710	97,151	95,598	
FUNDS CARRIED FORWARD											



# 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	<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
<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>

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

*+ Richard Moth*

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>



**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.

**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.

**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/>	<hr/>
	9,608	12,074
	<hr/>	<hr/>

### 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/>	<hr/>
	444	320
	<hr/>	<hr/>

### 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/>	<hr/>
	230	227
	<hr/>	<hr/>

### 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/>	<hr/>
	1,694	1,697
	<hr/>	<hr/>

# 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

	<b>Direct personnel £'000</b>	<b>Direct other expenditure £'000</b>	<b>Direct grants £'000</b>	<b>Allocated support £'000</b>	<b>2023 Total £'000</b>
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

	<b>Direct personnel £'000</b>	<b>Direct other expenditure £'000</b>	<b>Direct grants £'000</b>	<b>Allocated support £'000</b>	<b>2022 Total £'000</b>
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

	2023 £'000	2022 £'000
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
	<u>481</u>	<u>428</u>

#### 10. SUPPORT COSTS 2023

	Fund raising £'000	Advancement of RC Faith £'000	Education £'000	Total £'000	2022 £'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>

#### SUPPORT COSTS 2022

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

## 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

	2023 £'000	2022 £'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

	2023 £'000	2022 £'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

	2023 £'000	2022 £'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

	2023 £'000	2022 £'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)		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
<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

**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)		54,161	12,322	(9,742)	(1,312)	(2,154)	53,275
Central							
	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
			2,541	8	(5)	31	-	2,575
<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)	-
			551	91	(26)	21	(43)	594
<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
			9,411	-	(16)	309	(17)	9,687
<b>TOTAL CONNECTED TRUSTS</b>			12,503	99	(47)	361	(60)	12,856

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.