

ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

England & Wales · Charity number 512021

Details

Other names DIOCESE OF HALLAM TRUSTEE

Status Registered

Legal form Other

Company number [01593544](#)

Registered 1981-11-16

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

Contact

Address Hallam Pastoral Centre
St. Charles Street
Sheffield
S9 3WU

Phone 01142566430

Email finance@hallam-diocese.com

Website www.hallam-diocese.com

Activities

Objects: ADVANCING THE ROMAN CATHOLIC RELIGION IN THE HALLAM DIOCESE BY SUCH MEANS BEING CHARITABLE AS THE BISHOP OF HALLAM MAY THINK FIT AND PROPER AND FOR THE SERVICE AND SUPPORT WHETHER IN THE HALLAM DIOCESE OR OUTSIDE THE HALLAM DIOCESE BY SUCH MEANS AS AFORESAID OF CHARITABLE WORKS AND OBJECTS PROMOTED BY THE CHURCH.

Activities: The advancement of the Roman Catholic faith in the Diocese of Hallam through its parishes, schools and charitable works.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** ROMAN CATHOLIC DIOCESE OF HALLAM
- Barnsley
- Derbyshire
- Doncaster
- Nottinghamshire
- Rotherham
- Sheffield City

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|-------------|-----------|
| 2024-12-31 | £6,199,812 | £5,962,377 | £34,580,266 | 103 |
| 2023-12-31 | £5,529,624 | £6,047,218 | £34,091,247 | 107 |
| 2022-12-31 | £4,874,325 | £5,415,684 | £34,483,450 | 103 |
| 2021-12-31 | £4,375,577 | £5,161,158 | £34,377,968 | 100 |
| 2020-12-31 | £4,201,286 | £5,245,916 | £34,739,190 | 98 |

Trustees

| Name | Role | Appointed |
|---------------------------|------|------------|
| Diocese of Hallam Trustee | | 1981-10-28 |

ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

England & Wales - Charity number 512021

Accounts

DIOCESE OF HALLAM

**Roman Catholic Diocese of Hallam Trust
(Registered Charity No. 512021)**

**ANNUAL REPORT
AND FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2024**

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

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DIocese OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

Legal & Administrative Details

Legal Status

The Roman Catholic Diocese of Hallam Trust is a charitable trust, established by a Trust Deed dated 28th October 1981. The Charity Registration number is 512021. The charity is registered with the H.M. Revenue & Customs for tax exemption purposes under reference XN57643A.

The Trust is administered by a Trust Corporation, Diocese of Hallam Trustee, incorporated 26th October 1981 and whose Company Registration Number is 01593544. Diocese of Hallam Trustee is a Company Limited by Guarantee with a licence from the Secretary of State for Business, Innovation & Skills to dispense with the word Limited from its name.

As at 31st December 2024 there were 8 Members of the Finance Board of Diocese of Hallam Trustee.

Directors of Diocese of Hallam Trustee (who served during the year)
(Known as *Members of the Finance Board*)

Right Reverend Ralph Heskett, C.Ss.R.
Ms. C. Bailey, RN, BEM
Reverend D. Humphries
H.H. S.J. Lynch - Appointed 19th January 2025
Reverend P.D. McGuire
Reverend Monsignor M.G. McManus, V.G. - Appointed 18th June 2025
H.H. M.J. Murphy - Resigned 11th December 2024
Reverend C.M. Posluszny
Mrs A.M. Ryalls
Reverend Monsignor D.M. Sexton, V.G.
Reverend Dr. A.J. Strike

Secretary to the Finance Board of Diocese of Hallam Trustee

E.J. Whittaker

Key Personnel:-

Finance Dept:- E.J. Whittaker
Schools Dept:- A. Dewhurst & R. Sawyer

**Principal Address of Charity
& Registered Office of Trustee**

The Diocese of Hallam Pastoral Centre,
St. Charles Street,
Sheffield. S9 3WU

Principal Bankers

HSBC Bank plc,
22 The Moor,
Sheffield. S1 2PA

Solicitors

Taylor & Emmet LLP,
20 Arundel Gate,
Sheffield. S1 2PP

Insurance Managers

Catholic Insurance Service Limited,
Suite 5, Oxford House, Oxford Road
Thame, Oxfordshire. OX9 2AH

Accountants

W.H. Prior
Chartered Certified Accountants
Railway Court,
Doncaster. DN4 5FB

Investment Managers

Rathbones Group plc (Investec Wealth and Investment Ltd),
Beech House,
61 Napier Street,
Sheffield. S11 8HA

Auditors

Warrens Accountants Limited
Chartered Certified Accountants & Statutory Auditor
33 Thorne Road,
Doncaster. DN1 2HD

DIOCESE OF HALLAM

(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT

Year Ended 31st December 2024

The Trustee presents its Report and Financial Statements for the Year Ended 31st December 2024. The Statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – Charities SORP FRS102.

HISTORY AND ORGANISATION

The Roman Catholic Diocese of Hallam is a charitable trust, established by a Trust Deed dated 28th October 1981, amended by a deed of variation dated 20th July 2006. The Diocese of Hallam was formed on 30th May 1980 from the division of the Dioceses of Leeds and Nottingham. The Trust is a Registered Charity, registration number 512021 and its sole Trustee is Diocese of Hallam Trustee as detailed on Page 1. The objects of the charity are:-

'To advance the Roman Catholic Religion in the Hallam Diocese by such means being charitable as the Bishop of Hallam may think fit and proper and for the service and support whether in the Hallam Diocese or outside the Hallam Diocese by such means as aforesaid of charitable works and objects promoted by the Church'.

The Diocese of Hallam consists of 52 parishes in the county of South Yorkshire, parts of the High Peak and Chesterfield Districts of Derbyshire, and the district of Bassetlaw in Nottinghamshire. Mass attendance for 2024 averaged 9,106 (2023: 8,810)

STRUCTURE, GOVERNANCE & MANAGEMENT

The Roman Catholic Diocese of Hallam Trust is a charitable trust established by Trust Deed. The power of appointment of Trustees is vested in the Bishop of Hallam. The Charity is administered by the trust corporation Diocese of Hallam Trustee, a company limited by guarantee and not having share capital, registered under the Companies Acts (No. 01593544). The directors of Diocese of Hallam Trustee are known as Members of the Finance Board.

The sole trustee is the trust corporation Diocese of Hallam Trustee. The Bishop of Hallam appoints the Members of the Finance Board under article 31 of the Trust Corporation's Articles of Association. The Members of the Finance Board comprise clergy and laity and are appointed for their expertise. New Members of the Finance Board are provided with an information pack relating to the constitution, governance and operation of the charity, and ongoing training is provided to all Members. The Members of the Finance Board who served during the year, and as at the date of this Report are detailed on Page 1.

The Finance Board of Diocese of Hallam Trustee meets approximately every six weeks. The Board receives reports from senior officers and various committees, considers proposals for major expenditure and, under the leadership of the Bishop, sets the strategic direction of the charity.

The Schools' Department gives advice to Catholic, and joint Catholic and Church of England, schools in the Diocese. The Diocesan Board of Education meets regularly to help facilitate the Bishop's vision for the creation of two Catholic Multi Academy trusts across the diocese. The Board meet to support the Bishop and the schools in a wide range of matters. The Board comprises of Bishop Ralph, the Episcopal Vicar for Schools, officers of the Schools' Department and the Director of Finance. The CEOs of St Clare's and St Francis CMATs are in attendance as non-voting members. The Diocesan Building Committee normally meets one week before each Finance Board meeting. That committee monitors property matters in more depth and reports to the Finance Board with their recommendations. It holds delegated responsibility for building projects below £40,000. Rev. C. Posluszny represented the Finance Board on the Diocesan Building Committee, and the Director of Finance and Diocesan Property Manager are in attendance.

The Investment Sub-Committee of the Finance Board of Diocese of Hallam Trustee monitors performance and sets benchmarks for the investment managers. The Sub-Committee consists of at least one member of the Finance Board and throughout 2024 this Committee comprised of the Bishop, Mr. S. Hanlon, Rev.Mgr. M. McManus, and the Director of Finance. The Diocesan Health & Safety Sub-Committee met regularly in 2024 .

Diocesan Organisations operate under the supervision of a Member of the Finance Board, as Executive of Diocese of Hallam Trustee, or a senior member of staff, operating under delegation, who reports to the Finance Board.

Following the Elliott Review, the Trustee's Safeguarding Committee was formed to replace the Diocesan Safeguarding Commission in 2022. The Trustee's Safeguarding Committee meets several times a year and presents regular reports to the Bishop and Finance Board. The trust recruited a lay Trustee with extensive safeguarding experience to chair the Trustee safeguarding Committee and ensures that safeguarding matters are given the priority they deserve at every trustee board meeting. The Safeguarding Committee seeks to implement National and Diocesan Policies, Guidelines and Procedures on the care and protection of children and vulnerable adults and works closely with the Catholic Safeguarding Standards Agency (CSSA), Local Safeguarding Representatives in each parish, safeguarding representatives in diocesan organisations, and relevant statutory bodies.

DIocese OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2024

Parish Priests administer the financial affairs of the Parishes, and act as agents of Diocese of Hallam Trustee. They are assisted by a Parish Finance Committee who offer advice and support. In parishes, and in Diocesan organisations, the Charity relies on the generous support of a large number of volunteers who offer their time and skills freely.

PUBLIC BENEFIT

The celebration of Mass is central to the Roman Catholic faith, and this is the main use of the 60 Churches operated by the charity. Whilst Sunday is the principal day of worship, many of our churches are open each day and are accessible to all. Every week the parish community comes together to celebrate the mystery of our faith - the death and resurrection of Our Lord Jesus Christ. People gather in prayer and praise of God, and to seek God's help and forgiveness. Anyone is welcome to attend services, or just to take a moment in a sacred space for peace and stillness in order to pray and there is no question of any fee or charge.

We also celebrate the sacraments, primarily within each parish community. Many of these are linked to the milestones in people's lives. At Baptism an individual becomes part of the body of Christ, and part of the Church. From their First Communion they are able to take part fully in the Eucharist. Confirmation affirms them in their faith and normally takes place at adolescence. In Marriage the individual forms a covenant with their partner. The Anointing of the Sick, and the Sacrament of Reconciliation are the two sacraments of healing, and through Holy Orders ordination as a priest or deacon is conferred.

The parish priests and clergy guide each parish community, under the authority of the Bishop, who is our shepherd and teacher. Many parish buildings are also used for social events and activities that benefit the wider community.

Through Diocesan Agencies a wide range of services are supported by the Diocese. For example, the Diocesan Schools' Department assists the work of the Voluntary Aided Catholic, and Catholic Voluntary Academy, schools in the Diocese, through training, guidance and advice to headteachers and governors. This includes the development and monitoring of religious education, the Section 48 inspection of schools, advising on the appointment of senior staff and succession planning, planning of school places and the maintenance and provision of school buildings. The department works closely with the CEOs and Directors of the two Catholic Multi Academy Trusts, the four councils and two county councils that cover the Diocese, the Governors of Voluntary Aided Schools, and the Directors of standalone Academy Trusts. The Diocesan Schools' Building Fund makes grants to Voluntary Aided governing bodies towards the capital cost of school buildings. Each school is an exempt charity, and maintained schools and Catholic Voluntary Academies provide education free of charge. Whilst these schools are not part of the charity, the Diocese plays a key role in supporting them and this has an enormous impact on all their pupils, regardless of whether or not they have any religious affiliation.

Diocesan Organisations, such as St. Wilfrid's Centre, provide a further opportunity for the Church to reach out to the wider community. St. Wilfrid's Centre gives practical help and support to homeless and vulnerable people who experience the burden of social exclusion. Most of its clients are affected by homelessness, poverty, mental health needs, addiction, extreme isolation and institutionalisation. It welcomes all, without distinction of race, national origin, sex, sexual orientation, political, religious or other opinions. Projects such as this are one way in which the Diocese tries to meet Christ's commandment to "*Love your neighbour as yourself*".

The Members of the Finance Board confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

ACHIEVEMENTS & PERFORMANCE

The primary area that the Charity seeks to fulfil its objectives is through its 52 parishes. They do not exist as independent congregations, and it is the parishes together with diocesan agencies and organisations that together make up the charity. As a result of pastoral work and preparations in these parishes in 2024 there were 672 baptisms (2023: 679), 62 receptions into the Church (2023: 57), 88 marriages (2023: 130) and 476 funerals (2023: 487). There were also 725 children receiving their First Communion (2023: 731) and 306 Confirmations (2023: 423).

The Diocese had participated fully in the worldwide synodal process that concluded in in October 2024. Coordinated by the Formation & Mission team there were many months of consultation in various ways; with meetings, discussions, cards, questionnaires and personal encounters. The People of God were invited to respond to the questions Pope Francis asked: "How does this "journeying together" which takes place today on different levels (from the local level to the universal one), allow the Church to proclaim the Gospel in accordance with the mission entrusted to Her; and what steps does the Spirit invite us to take in order to grow as a synodal Church?" The Second session of the Synod concluded at the Vatican in October and became part of the church's teaching.

One of the outcomes of the synodal process was the identification of a need to review the challenges facing the Diocese. A series of pastoral questionnaires were issued across the diocese to all parishioners as a way of consulting, listening and praying. As a direct result of the consultation, the Council of Priests asked Bishop Ralph to form a Diocesan Pastoral Council. A Diocesan Pastoral Council was established as an advisory group which is composed of members of the faithful, clerics and religious who collaborate, offer support, and help the Bishop to clarify a vision for the diocese. The Diocesan Pastoral council has three primary responsibilities: to study the pastoral reality of the diocese as determined by the Bishop, reflect on it, and make recommendations on how to deliver that vision.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2024

During the year there were three ordinations. On 22 June 2024, the feast of St John Fisher and St Thomas More, the diocese celebrated the presbyteral ordination of Christian Nwakamma as he was ordained to serve as a priest in the diocese. Two new members of the Permanent Diaconate were ordained by Bishop Ralph. Deacons Martin Frain and John Gilliver were ordained on the Feast of St Matthew, Apostle and Evangelist before a crowded congregation, including many priests and fellow deacons.

On Thursday, 9 May 2024 Pope Francis read the Bull of Indiction of the Jubilee Year 2025. The Papal Bull, called SPES NON CONFUNDIT. "Hope does not disappoint" is the official document which stated the opening and closing dates of the coming Holy Year and the theme of the Jubilee. For this jubilee year, 2025, the theme chosen is "Pilgrims of Hope." The theme of "pilgrims of hope" is particularly important today; in a world ravaged by wars, poverty and threatened by climate change, and with many people facing increasing economic challenges. This Holy Year can help us to keep lit the torch of faith that we have been given, so that everyone can look to the future with hope.

The preparations for the Jubilee year started with a National Eucharistic Congress called Adoremus that took place at St Mary's Seminary, Oscott. The diocese was well represented at this event lead by Bishop Ralph.

Following the creation of the Catholic Safeguarding Standards Agency (CSSA), the Diocese of Hallam was one of the first diocese to be part of the pilot inspections. This year the Diocese faced its first full inspection. The results of the inspection concluded that the Diocese was making "firm progress" on two of the eight safeguarding standards and "results being achieved" in the remaining six standards. The full report is available to download here <https://catholicsafeguarding.org.uk/audits-and-reports/cssa-audit-reports/>.

On Saturday 6th July 2024 the Safeguarding Team held its Annual Safeguarding Event at Holy Trinity School in Barnsley. The theme of this year's event was Diversity & Trauma and looked at how social, cultural and other diversity issues play a part in the traumatic experiences of individuals. A number of guest speakers provided really inspiring presentations on various topics including, domestic abuse, honour-based abuse and spiritual and ritual abuse and human trafficking, which was presented via zoom from speakers located in America and New Zealand.

Activities that take place outside of the parishes are defined as "Curial". These consist of Diocesan Agencies and Diocesan Organisations who work alongside parishes in fulfilling the objects of the Charity and the mission of the Church.

Diocesan Agencies work under the direct supervision of the Bishop and Finance Board to meet specific pastoral, administrative or liturgical needs identified by the Bishop. Budgets are set and they are encouraged to generate income wherever feasible, and such income is detailed in Note 4 of the financial statements. The net cost of Diocesan Agencies is met initially by income from Diocesan investments and the balance is "assessed" on the Parishes through the "Parish Assessment".

Diocesan Agencies and other expenditure funded by assessment include:-

- Bishop of Hallam's Office
- Schools' Department
- Formation & Mission
- Property Management Department
- St Vincent's MissionHub (Young Adults Ministry & University Chaplaincies)
- Finance Department
- Tribunal
- Youth Ministry
- Safeguarding
- Hallam Pastoral Centre
- National Levies – CaTEW Bishops' Conference of England & Wales, CES, etc.
- Professional fees
- Diocesan Grants
- Historic Churches Committee & Diocesan Archivist

Diocesan Organisations are not financed through Parish Assessments, and are self-financing, although a number of these projects rely on the generosity of Parishes and parishioners. Their gross income is detailed in Note 4. The income and expenditure of these projects forms a substantial part of "Curial" activities. They include:-

- Caritas Hallam – Children & Family Support, Pastoral Care for Deaf People, and Carmel Care
- St. Wilfrid's Centre – a project supporting homeless and vulnerable people
- St. Wilfrid's Place - providing short-term residential accommodation to vulnerable people
- Diocesan Pilgrimage to Lourdes
- Diocesan Pilgrimage to Walsingham
- Diocesan Pilgrimage to Padley
- Youth activities
- Justice & Peace Commission

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2024

FINANCIAL REVIEW

PARISH ACTIVITIES

Parish Offertory Collections (excluding Gift Aid) amounted to £1,892,290 compared to £1,799,325 in 2023, a further increase of 5%. The average giving per person for 2024 by reference to attendance is calculated at £4.00 (£3.93 per week 2023). Parish collections and other voluntary income represented 68% of total gross parish income (2023: 65%). Gift Aid tax recoverable from H.M. Revenue & Customs totalled £322,500 in 2024 (2023: £300,836), an increase of 7% following a decrease of 8% in 2023.

Parishes received legacies of £296,929 in 2024 (2023: £525,244). The use of parish halls and other functional property in the year increased for a third consecutive year. Income from functional property was £299,352 (2023: £243,215) an increase of 23% following an increase of 35% in 2023 and 61% in 2022 with use steadily increasing post-Covid. Income from parish investment properties increased by 18% to £403,292 compared to £343,159 in 2023, which followed a decrease of 14% in 2023. The cost of management, and repairs, of those investment properties decreased to £32,158 in 2024 from £41,219 in 2023.

The cost of parish property repairs continued to be a significant area of parish expenditure, and increased by 5% with a cost of £666,980 in 2024 (2023: £633,430). This is still less than some recent years (£773,004 in 2021) but remains a significant area of expenditure. The impact of gas and electricity price increases also continues to be felt following the national renewal of the fixed rates with IFM (Inter-Diocesan Fuel Management Ltd). The cost of Heat & Light in Parishes in 2024 was £481,369 compared to £589,745 in 2023 and £273,047 in 2022.

Invoices for major improvements and new buildings are paid centrally by the Diocese, and charged to the appropriate parish's "Parish Ledger" account with the Diocese. Expenditure on new buildings and major expenditure that is considered to extend the life of existing properties is capitalised and depreciated. Similarly, assets with a cost of over £5,000 are capitalised and depreciated over their estimated useful lives. All legal fees and agents' costs are added to the costs of the asset.

Major parish projects in 2024 included:-

- **Our Lady Queen of Peace , Chesterfield**– The work to re-order the Parish Centre at the Church of the Annunciation concluded in early 2024 with final invoices totalling £33,972 bringing the total cost of the project to £523,244.
- **St. William of York, Sheffield** – Works to the outside of the Church to replace the existing ramp and railings and install a new planter were carried out to the value of £24,840. A new boiler was also required at a cost of £13,440.
- **St. Mary's, High Green, Sheffield** – Work was carried out to the former Convent prior to it being let, to the value of £10,498, and the Hall boiler was replaced at a cost of £9,824.

Before unrealised gains on investments, Parish Assessments and other transfers the Parishes cumulatively resulted in a surplus of £356,061 (2023 £448,091 surplus). Changes in the value of parish investment during the year increased Parish Funds by £10,587 making the net surplus before internal transfers £366,648 (2023: £456,124 surplus). Parish Assessments totalled £724,728 in 2024 reflecting the General Parish Assessment of £606,091 (a 3% increase on the £586,456 Assessment in 2023 following a 6% increase the previous year), together with the reintroduced Sick & Retired Clergy Parish Assessment of £118,637. The net result after other internal transfers was a decrease of Parish funds of £380,388 (2023: net decrease of £139,508 following an increase of £1,072,227 in 2022).

Total Parish funds carried forward at 31st December 2024 amounted to £26,099,456 of which £15,752,913 was tied-up in functional property and other fixed assets in everyday use by parishes for charitable purposes.

CURIAL ACTIVITIES

Total Curial income increased by 44% in 2024, following an increase of 22% in 2023. A large part of this was a result of a realised gain of £281,352 on the disposal of one functional property which had been held for many years. Voluntary donations increased by 24% to £247,592, and grant income more than doubled, to £232,288 from £105,270. Income from Charitable Activities was consistent with the previous year at £1,078,419. Investment income increased significantly, with a further increase of 26% as a result of increased dividends and higher interest rates on funds held. Bank interest received in 2024 was £115,513 compared to £75,010 in 2023.

Expenditure on Charitable Activities was 5% less in 2024, compared to the previous year. Investment Management costs of £27,870 were 7% higher than in 2023. The value of Curial investments increased by £213,620 in 2024 following an increase of £95,576 in 2023.

There was a net Curial surplus after expenditure and transfers, of £869,407 compared to a net deficit of £252,695.

Total Curial funds carried forward as at 31st December 2024 amounted to £8,480,810, of which £3,888,966 is reflected in functional tangible fixed assets.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2024

SUMMARY

The summary below gives an indication of the financial activities of the Diocese.

| <u>Parishes</u> | 2024 £ | 2023 £ |
|--|-------------------------|-------------------------|
| Income | 3,870,937 | 3,914,867 |
| Deduct: Expenditure | (3,514,876) | (3,466,776) |
| Investment Gains/(Losses) | <u>10,587</u> | <u>8,033</u> |
| Surplus/(Deficit) before Parish Assessment | 366,648 | 465,124 |
| | | |
| Parish Assessment and other transfers | <u>(747,036)</u> | <u>(595,632)</u> |
| (Decrease)/Increase in reserves | <u><u>(380,388)</u></u> | <u><u>(139,508)</u></u> |
| | | |
| <u>Curia</u> | 2024 £ | 2023 £ |
| Parish Assessment and other transfers | 747,036 | 595,632 |
| Other income | <u>2,328,875</u> | <u>1,614,757</u> |
| Total income | 3,075,911 | 2,210,389 |
| Deduct: Expenditure | <u>(2,447,501)</u> | <u>(2,580,442)</u> |
| Investment Gains/(Losses) | <u>240,997</u> | <u>117,358</u> |
| Increase/(Decrease) in reserves | <u><u>869,407</u></u> | <u><u>(252,695)</u></u> |

GOING CONCERN

The Charity's activities, together with the factors likely to affect its future development, principal risks and uncertainties facing the Charity and its availability of unencumbered cash reserves are set out in this Annual Report. Its financial position in terms of the year's results, its assets and liabilities, and movement in cash are set out in the principal financial statements on pages 13 to 16. The Trustees have considered the charity's operations for the next 12 months, as required. The charity has sufficient financial resources, mainly in the form of cash, investments, and property, to meet its obligations. There are no material uncertainties about the Charity's ability to continue as a going concern and it is well placed to manage the various risks identified. The Trustee therefore has a reasonable expectation that the Charity has adequate resources to continue its operations for the foreseeable future. Accordingly the going concern basis continues to be adopted in the preparation of the Annual Report and Accounts.

RESERVES

The Finance Board considers that unrestricted reserves equivalent to two years' charitable expenditure for both Parish and Curial reserves are required. In addition to recurring expenditure the Finance Board acknowledges that, in some areas, income is difficult to sustain, and has identified a number of long-term funding requirements including improvement and repair of functional property, clergy retirement and training and formation for which some funds have been designated.

The total Parish Funds at 31st December 2024 amounted to £26,099,456 of which £5,737,003 are restricted and £12,040,536 designated funds.

The majority of Parish Funds (£15,752,913) are represented by the functional properties (Churches, Halls, Presbyteries) and other fixed assets, which are integral to the operation of the Charity. The free Parish reserves of £8,321,917 represent around 28 months' Parish expenditure, which is above the 24 months' reserves considered to be required for parishes because of the long-term nature of their operations, and is expected to reduce given the expenditure required to meet the challenges in the coming years.

Contracted commitments totalled £45,120 at the Year End (2023:£33,971).

The total Curial funds as at 31st December 2024 amounted to £8,480,810 of which £1,600,594 is restricted for specific purposes. Of the remaining £6,880,216 unrestricted curial funds, £2,487,791, reflected the value of functional property and other fixed assets. The free general reserves of £4,392,425 represent just under 22 months' Curial expenditure which is less than the 24 months' reserves considered to be required because of the long-term nature of the charity's operations. The Finance Board continues to take action to review and address the level of Curial reserves and the expected requirement.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2024

INVESTMENT POLICY & PERFORMANCE

Under the trust deed of the Charity, the Trustee may invest, with the consent of the Bishop of Hallam, any money in any manner authorised by law (i.e. the Trustee Act 2000). In 2024 the investment portfolios continued to be managed on a discretionary basis by the investment managers, Rathbones Group plc. The portfolios are managed in line with the ethical investment policy of the Trustees, which is consistent with Church teaching and the Catholic faith. The Sick & Retired Clergy Fund and Priests' Training Fund portfolios were realised in November 2023 and the holdings transferred at market value to the Main Portfolio, releasing cash to those funds. The overall return was once again positive in 2024, recovering further from the difficult conditions in 2022. Both portfolios achieved above the total return benchmark, with the Caritas portfolio performing slightly better than the Main Portfolio.

| | Total Return | Total Return Benchmark |
|---------------------|-------------------------|-----------------------------------|
| | % | % |
| Main Portfolio | +9.14 | +8.84 |
| Caritas Hallam Fund | +9.41 | +8.84 |

RISK ASSESSMENT

The Finance Board has assessed the major risks to which the Charity is exposed, in particular those related to the operation, investment and finances of the Trust. By monitoring the level of reserves, ensuring control over financial systems and by examining the operational risks faced by the Charity, the Finance Board believes that effective systems have been established to mitigate those risks.

FUND-RAISING

The charity undertakes small scale fund-raising, and applications to charitable trusts for grants. Most fund-raising builds on the connection people have with the Church through their parish and there are no direct appeals by telephone or mailshot to individuals. The charity does not engage professional fund-raisers but does have a part time employee who deals with applications to charitable trusts for grants.

PLANS FOR FUTURE PERIODS

The diocesan strategy for all schools to be fully academised into their allocated Catholic Multi-Academy Trust, St Clare or St Francis is planned to continue. After a period of consolidation and bedding in on the advice of the Department of Education it is anticipated that more schools join the CMATs.

The Trustees have given approval in principle for the former Catholic Club at St Alban's, Denaby Main to be converted into a nursery facility as part of St Alban's primary school. Further work in conjunction with the local authority could make this a 2025 project.

Plans are being formulated for the relaunch of a "Friends of Padley Chapel" group. An enthusiastic group of volunteers are planning an extensive rota of opening times for the chapel from Spring 2025, with the ability to book group pilgrimages and guided tours outside of published opening times. This relaunch will coincide with the publication of the "Hathersage Pilgrimage Way" which has Padley Chapel at the destination point.

THIRD PARTY COLLECTIONS

Parishes in the Diocese supported a wide range of charities by allowing, and often organising, Third Party Collections. However, since these funds are not under the control of Diocese of Hallam Trustee, these collections are not included in the results and balances of the Charity. Balances held at 31st December 2024 for third party charities are included in Creditors.

GRANTS

Curial and Parish grants paid out in 2024 included:-

| | |
|--|---------|
| Catholic Trust for England & Wales (CaTEW) | £33,039 |
| Catholic Trust for England & Wales (CaTEW) re Adoremus | £5,500 |
| Catholic Education Service (CES) | £17,451 |
| Catholic Safeguarding Standards Authority (CSSA) | £12,504 |

The grants made are all in furtherance of the Charity's objects.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2024

KEY MANAGEMENT PERSONNEL

The key management personnel of the Diocese comprises the Director of Finance and the School Commissioners.. Remuneration for key management personnel is set by the Salaries Sub-Committee, taking into consideration the market rates for similar roles and is periodically reviewed in order to recognise and reward outstanding performance.

RISK MANAGEMENT

The Trustee has overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. The Audit Sub-Committee review, annually, the risks facing the charity which can be categorised into the following broad headings:-

- **Safeguarding** - The Diocese prioritises and appropriately resources, this area, and has been developing policies, practice and audits to ensure it is meeting the standards expected by the Catholic Safeguarding Standards Agency and can demonstrate compliance. The Trustee Safeguarding Committee oversees the work of the Safeguarding department in this respect. The Diocese of Hallam is committed to the promotion of a “one Church approach” to the safeguarding of children and adults at risk and the promotion of a culture of safeguarding throughout the Charity.
- **Clergy** - The Diocese is aware that priest numbers are decreasing, while the age profile is increasing and deployment varies (from the average of 270 people per priest up to 400, and down to 100 or less). Funds to support Sick & Retired Clergy are required and in 2024 a Sick & Retired Clergy Assessment was levied on the parishes to address this.
- **Capital** - The physical estate requires investment and maintenance and we maintain depreciation on the assets.
- **Regulatory Burden** - The Safeguarding, Health & Safety, HR, property maintenance, and other compliance duties are more onerous and this needs considering when deciding when to maintain smaller parishes.
- **Geographical** – the Dioceses is relatively small and whilst this has its benefits, it limits our resources.
- **Governance** – Following a group of trustees looking at “strategy” and a joint meeting with the Council of Priests, a new Diocesan Pastoral Council has been created to work with, alongside the Trustees and Council of Priests, in advising the Bishop and to complete our governance structures. The Diocesan Pastoral Council will help with the development of a diocesan pastoral strategy.
- **Education** - A new, permanent, diocesan Director of Schools will be recruited in 2025 to ensure standards and Catholic Ethos.

CONNECTED CHARITIES

The Diocese encompasses 47 Catholic schools. Two Multi Academy Trusts were formed in 2022 – St. Clare Catholic Multi Academy Trust and St. Francis Catholic Multi Academy Trust. Both of the Multi Academy Trusts, and each of the schools are exempt charities under the Charities Act 2011, and their activities are not reflected in the financial statements. The Bishop of Hallam appoints Foundation Governors/Directors to the Governing Bodies of Catholic Schools/Academy Trusts, and Foundation Governors/Directors form a majority on each body, but the Multi Academy Trusts and schools are not branches of the Diocese. The addresses of the Catholic Schools in the Diocese are detailed on the diocesan website. The Bishop of Hallam, the Directors of Schools and Diocese of Hallam Trustee are Members of Diocese of Hallam Schools’ Partnership (Company Registration Number 08099518). Diocese of Hallam Trustee is also Trustee of St. Michael’s Roman Catholic Church and Presbytery, Hathersage.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2024

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

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

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

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed dated 28th October 1981 (as varied 20th July 2006). The Trustee is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Finance Board of Diocese of Hallam Trustee on 30th October 2025 and signed as authorised by:-

E.J. Whittaker
Secretary and Director of Finance

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST**

Opinion

We have audited the financial statements of the Roman Catholic Diocese of Hallam Trust for the year ended 31 December 2024 as detailed on pages 13 to 32, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with the 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. 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 consistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the charity; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

Responsibilities of the Trustee for the financial statements

As explained more fully in the Trustee's Responsibilities Statement set out on page 9, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

In accordance with ISAs (UK) we exercise professional judgment and maintain professional scepticism throughout the audit.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Extent to which the audit was considered capable of detecting irregularities including fraud

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements and looking how fraud may occur by enquiring with management as to its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of the discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of material adjusting journals and key estimates and judgements by management.

We gained an understanding of legal and regularity framework applicable to the charity and the sector in which it operates, drawing on our audit experience and knowledge of the charity and its sector, and considered the risk of acts by the charity that were contrary to these laws and regulations that could give rise to a material misstatement in the financial statements, including but not limited to:-

The Charities Act 2011
Charities (Accounts and Reports) Regulations 2008
Guidance issued by the Charity Commission for England & Wales
UK Health & Safety legislation
UK employment legislation

We also made enquiries with the Trustee with regards to compliance with the above laws and regulations and obtained any necessary evidence to corroborate the information provided, for example minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising

We have identified revenue recognition, management override and completeness of related party transactions as key audit matters relating to irregularities, including fraud.

We have evaluated the Trustee and its management's incentives for fraudulent manipulation of the financial statements, including the risk of management overriding controls, and identified that the principal risks relate to management bias in accounting estimates and judgmental areas of the financial statements such as revenue recognition.

The following audit work was undertaken in response to the risks identified:

- Enquiry of management, those charged with governance, and the charity's solicitors around actual and potential litigation and claims
- Enquiry of management to identify any instances of non-compliance with laws and regulations
- Reviewing minutes of meetings of those charged with governance.
- Reviewing key sources of estimation uncertainty testing to supporting documentation, ensuring reasonableness of assumptions and consistently applied.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of significant transactions outside the normal course of the charity's operations.
- Identifying related parties and ensuring transactions are complete and testing to available supporting documentation.
- Reviewing key income sources for completeness and ensuring cut-off has been acceptably applied.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the charity's trustee, Diocese of Hallam Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustee, as a body, for our audit work, for this report, or for the opinions we have formed.

Warrens

Warrens Accountants Limited
Statutory Auditor
33 Thorne Road,
Doncaster. DN1 2HD

Date: 30th October 2025

Warrens Accountants Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES : For the Year Ended 31st December 2024

| | Note | PARISHES | | | CURIA | | | 2024 TOTAL £ | 2023 TOTAL £ |
|--|------|-------------------|------------------|------------------|-------------------|-----------------|------------------|--------------------|--------------------|
| | | Unrestricted £ | Restricted £ | Total £ | Unrestricted £ | Restricted £ | Total £ | | |
| INCOME FROM: | | | | | | | | | |
| Donations & Legacies | | | | | | | | | |
| Collections and Donations | | 2,642,966 | - | 2,642,966 | 164,746 | 82,846 | 247,592 | 2,890,558 | |
| Legacies | | 296,929 | - | 296,929 | 248,032 | 2,000 | 250,032 | 546,961 | |
| Grants | 3 | 1,100 | - | 1,100 | 63,000 | 169,288 | 232,288 | 233,388 | |
| Charitable Activities | | | | | | | | | |
| Income from Charitable Activities | 4 | 105,497 | - | 105,497 | 1,054,101 | 24,318 | 1,078,419 | 1,179,758 | |
| Other Trading Activities | | | | | | | | | |
| Fundraising - Events | | 113,837 | - | 113,837 | 3,075 | - | 3,075 | 111,632 | |
| Lettings | | 299,352 | - | 299,352 | 20,279 | - | 20,279 | 259,837 | |
| Investment Income | | | | | | | | | |
| Rental Income from Investment Properties | | 403,292 | - | 403,292 | - | - | - | 343,159 | |
| Other Investment Income | 5 | 3,529 | 4,435 | 7,964 | 215,499 | 339 | 215,838 | 175,761 | |
| Other Income | | | | | | | | | |
| Gain on disposal of Fixed Assets | | - | - | - | 281,352 | - | 281,352 | 37,332 | |
| TOTAL | | 3,866,502 | 4,435 | 3,870,937 | 2,050,084 | 278,791 | 2,328,875 | 5,529,624 | |
| EXPENDITURE ON: | | | | | | | | | |
| Raising Funds | | | | | | | | | |
| Charitable Activities | 6 | 88,762 | - | 88,762 | 42,460 | - | 42,460 | 136,030 | |
| | 7 | 3,279,637 | 146,477 | 3,426,114 | 2,137,213 | 267,828 | 2,405,041 | 5,911,188 | |
| TOTAL | | 3,368,399 | 146,477 | 3,514,876 | 2,179,673 | 267,828 | 2,447,501 | 6,047,218 | |
| Net Gains/(Losses) on investments | | - | 10,587 | 10,587 | 240,997 | - | 240,997 | 125,391 | |
| NET INCOME/(EXPENDITURE) | | 498,103 | (131,455) | 366,648 | 111,408 | 10,963 | 122,371 | (392,203) | |

STATEMENT OF FINANCIAL ACTIVITIES : For the Year Ended 31st December 2024

| | PARISHES | | | CURIA | | | 2024 TOTAL £ | 2023 TOTAL £ |
|--------------------------------------|-------------------|------------------|-------------------|-------------------|------------------|------------------|--------------------|--------------------|
| | Unrestricted £ | Restricted £ | Total £ | Unrestricted £ | Restricted £ | Total £ | | |
| NET INCOME/(EXPENDITURE) B/F | 498,103 | (131,455) | 366,648 | 111,408 | 10,963 | 122,371 | 489,019 | (392,203) |
| Transfers between Funds: | | | | | | | | |
| Parish Assessments | (704,911) | (19,817) | (724,728) | 606,091 | 118,637 | 724,728 | - | - |
| Other Transfers | (22,308) | - | (22,308) | 22,308 | - | 22,308 | - | - |
| NET MOVEMENT IN FUNDS | (229,116) | (151,272) | (380,388) | 739,807 | 129,600 | 869,407 | 489,019 | (392,203) |
| Fund Balances brought forward | 20,591,569 | 5,888,275 | 26,479,844 | 6,140,409 | 1,470,994 | 7,611,403 | 34,091,247 | 34,483,450 |
| Fund Balances carried forward | 20,362,453 | 5,737,003 | 26,099,456 | 6,880,216 | 1,600,594 | 8,480,810 | 34,580,266 | 34,091,247 |

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DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

BALANCE SHEET AS AT 31st DECEMBER 2024

| | Note | 2024 | | | 2023 | | |
|--------------------------------------|------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| | | Parishes £ | Curia £ | Total £ | Parishes £ | Curia £ | Total £ |
| FIXED ASSETS | | | | | | | |
| Tangible Fixed Assets | 12 | 15,752,913 | 3,888,966 | 19,641,879 | 16,410,646 | 4,046,032 | 20,456,678 |
| Investments | 13 | 4,406,819 | 4,057,697 | 8,464,516 | 4,396,232 | 3,844,077 | 8,240,309 |
| | | <u>20,159,732</u> | <u>7,946,663</u> | <u>28,106,395</u> | <u>20,806,878</u> | <u>7,890,109</u> | <u>28,696,987</u> |
| CURRENT ASSETS | | | | | | | |
| Investments - Money Market | | - | 1,000,000 | 1,000,000 | - | - | - |
| Debtors | 14 | 415,469 | 1,092,949 | 1,508,418 | 156,186 | 882,673 | 1,038,859 |
| Cash at Bank & on Deposit | | 1,729,449 | 3,138,934 | 4,868,383 | 1,680,001 | 3,720,986 | 5,400,987 |
| | | <u>2,144,918</u> | <u>5,231,883</u> | <u>7,376,801</u> | <u>1,836,187</u> | <u>4,603,659</u> | <u>6,439,846</u> |
| LIABILITIES: | | | | | | | |
| Amounts falling due within one year | 15 | (84,921) | (818,009) | (902,930) | (143,237) | (902,349) | (1,045,586) |
| NET CURRENT ASSETS | | <u>2,059,997</u> | <u>4,413,874</u> | <u>6,473,871</u> | <u>1,692,950</u> | <u>3,701,310</u> | <u>5,394,260</u> |
| PARISH LOAN ACCOUNTS | | | | | | | |
| Loans to Parishes | | (2,529,805) | 2,529,805 | - | (2,510,034) | 2,510,034 | - |
| Parish Deposits | | 6,409,532 | (6,409,532) | - | 6,490,050 | (6,490,050) | - |
| TOTAL NET ASSETS | | <u>26,099,456</u> | <u>8,480,810</u> | <u>34,580,266</u> | <u>26,479,844</u> | <u>7,611,403</u> | <u>34,091,247</u> |
| REPRESENTED BY INCOME FUNDS:- | | | | | | | |
| Restricted Funds | 16 | 5,737,003 | 1,600,594 | 7,337,597 | 5,888,275 | 1,470,994 | 7,359,269 |
| Unrestricted Funds | | | | | | | |
| Designated Funds | 17 | 12,040,536 | 3,066,505 | 15,107,041 | 12,568,872 | 3,188,413 | 15,757,285 |
| Other Unrestricted Funds | 17 | 8,321,917 | 3,813,711 | 12,135,628 | 8,022,697 | 2,951,996 | 10,974,693 |
| | 18 | <u>26,099,456</u> | <u>8,480,810</u> | <u>34,580,266</u> | <u>26,479,844</u> | <u>7,611,403</u> | <u>34,091,247</u> |

The financial statements on pages 13 to 32 were approved by the Finance Board of Diocese of Hallam Trustee, as sole Trustee on 30th October 2025 and signed on its behalf by:-

The Right Reverend Ralph Heskett, C.Ss.R.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

CASH FLOW STATEMENT

For the Year Ended 31st December 2024

| | £ | 2024 £ | £ | 2023 £ |
|---|-------------|-------------------------|-------------|----------------------|
| Net Cash inflow from operating activities (Note a) | | (58,596) | | 319,850 |
| Investing activities | | | | |
| Dividends and interest received | 225,489 | | 173,994 | |
| Purchase of tangible fixed assets | (49,469) | | (568,925) | |
| Purchase of investments | (1,859,902) | | (1,457,474) | |
| Proceeds from sale of fixed assets | 322,595 | | 37,332 | |
| Proceeds from sale of investments | 887,279 | | 1,551,469 | |
| Net cash (outflows) from investing activities | | <u>(474,008)</u> | | <u>(263,604)</u> |
| (Decrease)/Increase in cash | | <u>(532,604)</u> | | <u>56,246</u> |
| | | | | |
| <u>Reconciliation of Net Cash flow to movements in net funds</u> | | | | |
| (Decrease)/Increase in cash in the period | | (532,604) | | 56,246 |
| Cash Funds at 1 st January 2024 | | 5,400,987 | | 5,344,741 |
| Cash Funds at 31 st December 2024 | | <u>4,868,383</u> | | <u>5,400,987</u> |

The charity has no disclosable debt, and consequently the cash at bank and in hand, is also the net debt/funds reconciliation.

Notes to the Cash flow Statement

| | | | |
|--|------------------|------------------|-----------------------|
| a) Reconciliation of net (outgoing)/incoming resources to net cash inflow/(outflow) from operating activities:- | 2024 | 2023 | |
| | £ | £ | |
| Net incoming/ (outgoing) resources | 489,019 | (392,203) | |
| Dividends & interest received | (223,802) | (175,761) | |
| Depreciation | 823,025 | 813,892 | |
| (Increase)/Decrease in Debtors | (471,246) | 342,810 | |
| (Decrease)/Increase in Creditors | (142,656) | (106,165) | |
| Profit on disposal of fixed assets | (281,352) | (37,332) | |
| Net (Gains)/Losses on Investments | (251,584) | (125,391) | |
| | <u>(58,596)</u> | <u>319,850</u> | |
| | | | |
| b) Changes in cash and cash equivalents | 2024 | 2023 | Change in year |
| | £ | £ | £ |
| Cash at Bank and Short Term Deposits | <u>4,868,383</u> | <u>5,400,987</u> | <u>(532,604)</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

1 The financial statements principally reflect the incoming resources and application of resources of the main charity, Roman Catholic Diocese of Hallam Trust and include Parishes, Diocesan Agencies, and Diocesan Organisations. The financial statements also reflect a number of small individual parish trusts and separately registered diocesan charities, which are under the control of Diocese of Hallam Trustee, including the J.J. Eyre Funds and St. Charles Charity (Charity Registration No. 1049619).

2 **Accounting policies**

2.1 **Basis of preparation**

The financial statements have been prepared in accordance with the accounting policies set out below and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102).

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments and are presented in sterling, which is also the functional currency of the charity.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs) except for those financial assets classified as at fair value through the Statement of Financial Activities, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when, and only when, a) the contractual rights to the cash flows from the financial asset expire or are settled, or b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method. Debtors classified as recoverable within one year are not amortised.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

Creditors

Creditors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method. Creditors payable within one year are not amortised.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires the Trustee to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise.

Significant judgements

In the course of preparing the financial statements, the following significant judgements have been made in the process of applying the charity's accounting policies:-

- assessing the probability of the receipt of legacy income;
- assessing the appropriateness of the assumptions and methodology used in determining the fair value of investment properties;
- determining the value of the designated funds needed at the year end to meet specific future expenditure;

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and by their nature, will rarely equal the related actual outcome. The charity does not have any key assumptions concerning the future, or other key sources of estimation uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Notwithstanding this, the charity is required to make estimates as detailed below:

- estimating the accrued expenditure including employees' accrued holiday pay;
- estimating the useful economic life of tangible fixed assets to determine a depreciation charge;
- estimating the cost of the functional fixed assets, including property, that were held at 31st December 1996;

Assessment of Going Concern

The Trustee considers that there are no material uncertainties about the trust's ability to continue as a going concern.

Income

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations

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 by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the Balance Sheet as deferred income to be released.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

2.2 Fund Accounting

Diocesan activities fall into two categories:

- Parishes - transactions relating to individual Parishes within the Diocese.
- Curia - transactions concerning the Diocese as a whole.

The Funds of the charity are analysed into Restricted and Unrestricted Funds.

Restricted Funds represent amounts received for a specified purpose which had not been expended at the Balance Sheet date. Parish property subject to a Special Trust is also reflected in the Restricted Fund balances.

Unrestricted Funds represent amounts available for the general purposes of the charity. Within Unrestricted Funds, Designated Funds reflect the amounts set-aside for particular projects or purposes, but which may be spent for other general charitable purposes.

The Statement of Financial Activities details Parish and Curial incoming resources and resources expended, analysed between Unrestricted and Restricted Funds.

Parish Income is, under Canon Law, under the control and direction of the Parish Priest who exercises his ministry under the authority of the Bishop. Although the Finance Board of Diocese of Hallam Trustee has ultimate responsibility under civil law for these funds, the juridical person who holds Parish Funds is the Parish Priest, and these funds are unrestricted only in terms of their use within the individual parish.

2.3 Tangible Fixed Assets

Freehold and Leasehold Land and Buildings

(a) Functional Land and Buildings

Churches, Presbyteries, Church Halls, Offices, etc.

i) Freehold Land

Functional Land, (i.e. land used for the prime purpose of the Charity), is included in the financial statements at original cost, or where this is not available at an estimate of its historic cost (or in the case of donated land or land acquired at nil cost, at its fair value at the date of receipt). Freehold land is not depreciated because it has an indefinitely long useful life.

ii) Freehold Buildings

Functional Buildings (i.e. buildings used for the prime purpose of the Charity), which are still in use by the Charity are included in the financial statements at original cost, or in the case of buildings transferred at nil cost on the formation of the Diocese, at an estimate of their fair value at the date of acquisition. All new functional buildings, improvements and major renovations are capitalised at the cost of construction.

Buildings which were in use at 31st December 1996, and additions since that date, are depreciated at rates calculated to write off their estimated historic cost (less the estimated residual value) evenly over the whole of their useful life.

The estimate of the useful life of a building varies depending on the condition and future use of the building. However, in general it is expected that a building in a reasonable state of repair will continue in use without major renovations or improvements for the following period:

| | | |
|-----|-------------------------------|------------------|
| (a) | Unlisted Churches | 25 to 100 years |
| (b) | Cathedral and Listed Churches | 100 to 200 years |
| (c) | Presbyteries | 25 to 50 years |
| (d) | Other buildings | 10 to 75 years |

Depreciation rates are calculated using the age of the building and its expected useful life.

DIOCESE OF HALLAM
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NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

Padley Martyrs Chapel, Grindleford, Derbyshire is not depreciated because it was built c.1400, is a Grade I listed building and is considered to have an extraordinary long life that cannot be determined. The charity does not recognise this heritage asset in its Balance Sheet as details of its cost and initial valuation are not held, given the nature of the asset and its longevity. The cost of obtaining a value is not commensurate with any benefit to the users of the accounts and given the religious nature of the asset it is extremely unlikely that the monetary value (from sale) will ever be recognised by the charity. The cost of obtaining a valuation has been considered by the charity and it believes it is not justified by the usefulness of the information to the users of the accounts.

iii) Leasehold Land and Buildings

Leasehold land and buildings are depreciated over the life of the lease on a straight-line basis.

Details and addresses of the Diocesan churches and other buildings (both freehold and leasehold) can be found in the Diocesan Year Book.

Voluntary Aided Schools & Catholic Voluntary Academies

i) Land

The charity owns the land on which its Voluntary Aided Schools are built, and the land occupied by Catholic Voluntary Academy Trusts and Catholic Multi Academy Trusts. Each Trust/school is an exempt charity under the Charities Act 2011 and occupies the land rent-free. The nature of the occupation of the land by these exempt charities means that the Diocese's Trustee does not have the power to dispose of the land until the school ceases its occupation, which in turn would require the approval of the Directors/Governors and the Secretary of State and may involve the recovery of grant-aid by the DfE. Consequently such land is not in direct use by the charity, does not generate any income, cannot be disposed of on the open market, and cannot be used for any other purpose during the schools' occupation. In view of these restrictions, the Trustee believes the recoverable amount of these assets is nil and they are included at nil valuation.

ii) Buildings

The School buildings are occupied, improved, extended and repaired by the School Governors/Academy Trusts. The nature of the occupation of the buildings by these exempt charities means that the Diocese's Trustee does not have the power to dispose of the buildings until the school ceases its occupation, which in turn would require the approval of the Governors and the Secretary of State and may involve the recovery of grant-aid by the DfE. Consequently such buildings are not in direct use by the charity, do not generate any income, cannot be disposed of on the open market, and cannot be used for any other purpose during the schools' occupation. In view of these restrictions, the Trustee believes the recoverable amount of these assets is nil and they are included at nil valuation.

The School Governors/Academy Trusts account for the building, improvement and repair costs of the schools and account for any grants received in respect of these costs. Grants made by the Diocese through the Diocesan Schools' Building Fund (or occasionally via parishes) to the Governors of Voluntary Aided Schools in order to assist them with their liability for school building costs are charged to the Statement of Financial Activities in the year of payment.

As at 31st December 2024 there were 28 Catholic Voluntary Academies (5 High schools and 23 Primary schools), together with 15 Voluntary Aided Catholic Primary Schools, 1 Voluntary Aided Joint Catholic and Church of England Primary School, 1 Voluntary Aided Catholic High School, 1 Joint Catholic & Church of England Academy primary school and 1 Joint Catholic and Church of England 3-16 Academy in occupation of land and buildings. The charity owns the freehold of 46 of these premises in their entirety, and the freehold and leasehold of one split-site High School. Further details of the Diocesan Voluntary Aided Schools and Catholic Voluntary Academies, are given on the Diocesan website.

(b) Investment Properties and Donated Property awaiting sale.

Investment Properties

Investment properties are shown at the Trustee's best estimate of market value. The majority of the Investment Properties were professionally valued as at 31st December 2022 and all are valued professionally at least every five years. The Investment Properties are spread across the Diocese, and consequently the revaluation was carried out, principally by Commercial Property Rotherham Ltd with other local valuers being used for some investment properties. The Finance Board of Diocese of Hallam Trustee annually reassesses the value of the investment property portfolio. Any change in value during the year is reported in the "Other Recognised Gains & Losses" section of the Statement of Financial Activities. Further details of the basis of the valuation are given in note 13 to these financial statements. Investment Properties are reflected at market value, therefore no charge for depreciation is made in the financial statements in accordance with accounting standards.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

Fixtures, Fittings and Equipment

Acquisitions with a cost (or fair value in the case of donated items) in excess of £5,000 are capitalised. They are depreciated at rates calculated to write off the cost, less the estimated residual value of each asset evenly over its expected useful life as follows:-

| | |
|--|----------------------|
| Fixtures and Fittings | 10 years |
| Office Equipment | 5 years |
| Computers | 3 years |
| General Equipment | 5 years |
| Church Fixtures & Fittings | 10 to 50 years |
| Presbytery Fixtures & Fittings | 5 to 10 years |
| Residential/Day Centre Furniture & Equipment | 4 to 10 years |
| Motor Vehicles | 20% Reducing Balance |

Works of Art and Historic Treasures

Individual Works of Art, Historic Treasures and Plate are not capitalised as they have extraordinary long lives and are worth preserving perpetually.

2.4 Investments

Investments are stated at their market value as at the Balance Sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

2.5 Foreign currency transactions

The financial statements are presented in Sterling, which is also the functional currency of the charity. Transactions in currencies other than the functional currency of the charity, are recorded at the rate of exchange at the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. All differences are taken to the relevant Support Costs element of the Statement of Financial Activities.

2.6 Pension costs

Contributions towards employee's personal pension schemes and a group personal pension scheme for employees are charged to the Statement of Financial Activities in the year in which they become payable. The Diocese is neither liable to finance any funding shortfall, nor entitled to benefit from any over-funding. No contributions were made during the year to the Teachers' Pension Scheme ("the TPS"), an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Scheme Regulations 2015, but contributions were made in the comparative year for one employee. The employer's contribution is set by the TPS. As at 31st December 2024 and 31st December 2023 the rate was 23.68% (including a scheme administration levy). The TPS represents a collective scheme and it is not possible to separately identify the assets and liabilities attributable to a particular employer. The Diocese has neither a commitment to make good any actuarial deficit, nor an entitlement to benefit from any over funding. Retirement and other pension benefits are paid by public funds provided by Parliament.

2.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.8 Public Benefit

The charity operates for the public benefit, in accordance with the Charity Commission's guidance.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

| 3. Grants | Parishes 2024 £ | Curia 2024 £ | Total 2024 £ | Total 2023 £ |
|---|-----------------------|--------------------|--------------------|--------------------|
| Government Grant: National Lottery Community Fund (RC Yorkshire and Humber Region) | - | 52,200 | 52,200 | 26,100 |
| Other Grants | 1,100 | 180,088 | 181,188 | 89,628 |
| | <u>1,100</u> | <u>232,288</u> | <u>233,388</u> | <u>115,728</u> |
| | | | | |
| 4 Income from Charitable Activities | Parishes 2024 £ | Curia 2024 £ | Total 2024 £ | Total 2023 £ |
| Repositories, Bookstalls & Sale of Newspapers | 40,959 | - | 40,959 | 31,855 |
| Chaplaincies | 11,910 | - | 11,910 | 12,858 |
| Other Parish charitable income | 52,628 | - | 52,628 | 48,849 |
| St. Wilfrid's Centre | - | 173,171 | 173,171 | 198,489 |
| St. Wilfrid's Place | - | 106,478 | 106,478 | 83,796 |
| Caritas Hallam | - | 190,487 | 190,487 | 204,273 |
| Schools' Department | - | 252,740 | 252,740 | 233,721 |
| Project Management and Administration | - | 39,781 | 39,781 | 105,380 |
| Finance Department | - | 5,000 | 5,000 | 4,713 |
| Formation & Mission | - | 3,957 | 3,957 | 1,825 |
| Pastoral Centre | - | 8,823 | 8,823 | 5,932 |
| Tribunal | - | 1,900 | 1,900 | 550 |
| Youth Ministry | - | 17,289 | 17,289 | 22,398 |
| National Schools' Singing Programme | - | 20,000 | 20,000 | 5,000 |
| St. Vincent's MissionHub | - | 10,141 | 10,141 | 4,886 |
| Lourdes Pilgrimage | - | 248,652 | 248,652 | 214,645 |
| Walsingham Pilgrimage | - | - | - | 588 |
| | <u>105,497</u> | <u>1,078,419</u> | <u>1,183,916</u> | <u>1,179,758</u> |
| | | | | |
| 5. Other Investment Income | Parishes 2024 £ | Curia 2024 £ | Total 2024 £ | Total 2023 £ |
| Interest on cash deposits | 3,544 | 115,513 | 119,057 | 77,037 |
| Listed Investment income and other investment income | 4,420 | 100,325 | 104,745 | 98,724 |
| | <u>7,964</u> | <u>215,838</u> | <u>223,802</u> | <u>175,761</u> |
| | | | | |
| 6. Expenditure on Raising Funds | Parishes 2024 £ | Curia 2024 £ | Total 2024 £ | Total 2023 £ |
| Fund-raising costs | 20,963 | 12,442 | 33,405 | 31,973 |
| Bank Charges | 35,641 | 2,148 | 37,789 | 36,762 |
| Investment Management Costs | - | 27,870 | 27,870 | 26,076 |
| Investment Property Management & Expenses | 32,158 | - | 32,158 | 41,219 |
| | <u>88,762</u> | <u>42,460</u> | <u>131,222</u> | <u>136,030</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

7. Charitable Activities

| <u>Parishes</u> | Direct Costs £ | Support Costs £ | Total 2024 £ | Total 2023 £ |
|--|----------------------|-----------------------|--------------------|--------------------|
| Church Altar & Liturgy | 172,045 | - | 172,045 | 120,831 |
| Parish general running costs | 1,099,688 | - | 1,099,688 | 1,197,264 |
| Property repairs and maintenance | 669,980 | - | 669,980 | 633,430 |
| Clergy costs including travel expenses | 402,566 | - | 402,566 | 380,469 |
| Staff Costs | 263,424 | - | 263,424 | 241,962 |
| Depreciation | 700,968 | - | 700,968 | 683,314 |
| Repository, Bookstall & Newspaper expenses | 36,300 | - | 36,300 | 32,457 |
| Catechetical Pastoral Ministry | 12,120 | - | 12,120 | 18,339 |
| Payments to Religious Orders re Parish Sisters | 12,006 | - | 12,006 | 17,106 |
| Professional fees | - | 2,400 | 2,400 | 5,472 |
| Other Donations & Grants | 54,617 | - | 54,617 | 39,849 |
| | <u>3,423,714</u> | <u>2,400</u> | <u>3,426,114</u> | <u>3,370,493</u> |

| <u>Curia</u> | Direct Costs £ | Support Costs £ | Total 2024 £ | Total 2023 £ |
|---|----------------------|-----------------------|--------------------|--------------------|
| Bishop of Hallam's Office & Mensa | 85,548 | - | 85,548 | 87,977 |
| General Diocesan Expenditure | 28,430 | 983 | 29,413 | 31,211 |
| Jubilee Year | 9,143 | - | 9,143 | - |
| Safeguarding | 98,575 | - | 98,575 | 91,267 |
| St Vincent's MissionHub -Young Adults & University Chaplaincies | 69,394 | - | 69,394 | 64,467 |
| Hallam Pastoral Centre | 19,185 | - | 19,185 | 17,601 |
| Schools' Department | 290,388 | - | 290,388 | 279,772 |
| Formation & Mission | 59,910 | - | 59,910 | 51,914 |
| CMAT Setup costs | - | - | - | 140,835 |
| Property Department | 46,071 | - | 46,071 | 58,318 |
| Health & Safety | 15,288 | - | 15,288 | 15,288 |
| Tribunal | 36,961 | - | 36,961 | 39,444 |
| Youth Ministry | 72,874 | - | 72,874 | 84,154 |
| Finance Department | - | 94,882 | 94,882 | 94,483 |
| Communication | 3,500 | - | 3,500 | 8,042 |
| Clergy Formation & Training | 18,916 | - | 18,916 | 53,442 |
| Clergy Support, Retreat & Annual Conference | 38,469 | - | 38,469 | 33,396 |
| Sick & Retired Clergy | 139,642 | - | 139,642 | 166,514 |
| National Levies | 60,614 | - | 60,614 | 59,706 |
| Grants to Schools (Diocesan Schools' Building Fund) | (3,785) | - | (3,785) | 7,062 |
| Caritas Hallam | 334,256 | 5,574 | 339,830 | 312,282 |
| Padley Chapel | 11,120 | - | 11,120 | 3,878 |
| St Wilfrid's Centre | 422,271 | 10,211 | 432,482 | 436,069 |
| St Wilfrid's Place | 60,144 | 474 | 60,618 | 60,111 |
| Burghwallis Hall Cemetery | 309 | - | 309 | 3,615 |
| Pilgrimages | 282,815 | - | 282,815 | 260,382 |
| Professional fees | - | 58,224 | 58,224 | 62,358 |
| National Schools' Singing Programme | 34,655 | - | 34,655 | 17,107 |
| | <u>2,234,693</u> | <u>170,348</u> | <u>2,405,041</u> | <u>2,540,695</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

8 Allocated Support Costs

| | Parishes 2024 £ | Curia 2024 £ | Total 2024 £ | Total 2023 £ |
|--|-----------------------|--------------------|--------------------|--------------------|
| Finance Department & Trustee meeting costs | - | 95,865 | 95,865 | 95,080 |
| Governance - Legal & Other Professional Fees | 2,400 | - | 2,400 | 12,132 |
| Audit | - | 17,400 | 17,400 | 16,470 |
| Accountancy | - | 57,083 | 57,083 | 55,603 |
| | <u>2,400</u> | <u>170,348</u> | <u>172,748</u> | <u>179,285</u> |

9 Staff Costs

| | Total 2024 £ | Total 2023 £ |
|-----------------------|--------------------|--------------------|
| Salaries | 1,343,056 | 1,289,868 |
| Social Security Costs | 90,970 | 88,591 |
| Pension Costs | 57,124 | 64,229 |
| | <u>1,491,150</u> | <u>1,442,688</u> |

Average number of employees:-

| | 2024 | 2023 |
|-------------------------------------|------------|------------|
| <i>Direct Charitable activities</i> | | |
| Parishes | 53 | 53 |
| Curia | | |
| Diocesan Departments & Agencies | 19 | 20 |
| Diocesan Organisations | 31 | 34 |
| | <u>103</u> | <u>107</u> |

The number of employees whose emoluments fell within the following band was:-

| | 2024 | 2023 |
|-------------------|----------|----------|
| £70,001 - £80,000 | <u>2</u> | <u>1</u> |

During the year, pension contributions for the above amounted to £15,079 (2023: £10,361).

The cost of Key management personnel (salary, employer's national insurance and employer's pension contributions) was £220,082 (2023: £223,864).

Clergy are not included within the above as they are Office Holders and not employees of the Charity. Payments to Clergy amounted to £467,599 (2023: £452,307). Payments to Religious Orders for Parish Sisters amounted to £12,006 (2023: £17,106).

In addition to employees, the Charity has a number of unpaid volunteers who help in the parishes and in Diocesan Organisations.

DIOCESE OF HALLAM
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NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

10 Trustees (Finance Board Members) Information

The sole Trustee of the Roman Catholic Diocese of Hallam Trust is a Trust Corporation, Diocese of Hallam Trustee. The directors of Diocese of Hallam Trustee are known as Members of the Finance Board and are Trustees in law. None of the Members of the Finance Board received remuneration for their role as Trustees. Four Members of the Finance Board who served during the year are Roman Catholic Priests of the Diocese, and were housed and remunerated within their parishes. To assist him in the performance of his duties, the Bishop is provided with a house, and his expenses in carrying out his office are met from Curial Funds. The total remuneration received by the Clergy Trustees through their ecclesiastical Office (and not through their position as trustees) was £43,977 (2023: £38,315).

None of the Members of the Finance Board received any reimbursement of expenses arising from their position as Trustees.

11 Indemnity Insurance

Charitable Trustee Indemnity Insurance for £5 million cover was incorporated in the overall public liability and buildings insurance arrangements made for the charity.

12 Tangible Fixed Assets

| | Freehold Land and Buildings £ | Leasehold Land and Buildings £ | Fixtures, Fittings, and Equipment £ | Motor Vehicles £ | Total £ |
|---------------------------------------|---|--|---|------------------------|-------------------|
| Cost/Fair value at acquisition | | | | | |
| As at 1st January 2024 | 40,985,382 | 1,089,033 | 2,138,086 | 33,985 | 44,246,486 |
| Additions | 49,469 | - | - | - | 49,469 |
| Disposals | - | (85,937) | - | - | (85,937) |
| As at 31st December 2024 | <u>41,034,851</u> | <u>1,003,096</u> | <u>2,138,086</u> | <u>33,985</u> | <u>44,210,018</u> |
| Depreciation | | | | | |
| As at 1st January 2024 | 21,567,209 | 662,817 | 1,525,797 | 33,985 | 23,789,808 |
| Charge for the Year | 758,237 | 6,724 | 58,064 | - | 823,025 |
| Eliminated on disposal | - | (44,694) | - | - | (44,694) |
| As at 31st December 2024 | <u>22,325,446</u> | <u>624,847</u> | <u>1,583,861</u> | <u>33,985</u> | <u>24,568,139</u> |
| Net Book Value | | | | | |
| As at 31st December 2024 | <u>18,709,405</u> | <u>378,249</u> | <u>554,225</u> | <u>-</u> | <u>19,641,879</u> |
| As at 31st December 2023 | <u>19,418,173</u> | <u>426,216</u> | <u>612,289</u> | <u>-</u> | <u>20,456,678</u> |

Net Book Value as at 31st December 2024 represents fixed assets used for:-

| | | |
|-----------------|-------------|----------------------|
| Parish purposes | £15,752,913 | (2023 : £16,410,646) |
| Curial purposes | £3,888,966 | (2023 : £ 4,046,032) |

Land and buildings occupied by the diocese's two Multi Academy Trusts, Catholic Voluntary Academies and Voluntary Aided Schools are not capitalised because they are considered to be of nil value (see accounting policy note 2.3a for further details).

DIOCESE OF HALLAM
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NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

| | | |
|--|-------------------------|-------------------------|
| 13 Fixed Asset Investments | 2024 | 2023 |
| | £ | £ |
| (a) Listed Investments | | |
| Market Value 1st January 2024 | 3,729,714 | 3,510,124 |
| Acquisitions | 859,902 | 1,572,855 |
| Disposals at Opening Value (Note I) | (837,829) | (1,493,091) |
| Net unrealised investment gains/(losses) | 204,913 | 139,826 |
| | <hr/> | <hr/> |
| Market Value at 31st December 2024 | <u>3,956,700</u> | <u>3,729,714</u> |
| (b) Unlisted Investments | | |
| The Catholic National Mutual Limited | 4,000 | 4,000 |
| Inter-Diocesan Fuel Management Limited | 4,000 | 4,000 |
| | <hr/> | <hr/> |
| | <u>8,000</u> | <u>8,000</u> |
| (c) National Savings Deposits & Bonds | | |
| Market Value at 1st January 2024 | 99,000 | 99,000 |
| | <hr/> | <hr/> |
| Market Value at 31st December 2024 | <u>99,000</u> | <u>99,000</u> |
| (d) Cash deposits – pending reinvestment | | |
| Stockbroker's deposit accounts | 48,866 | 51,645 |
| | <hr/> | <hr/> |
| | <u>48,866</u> | <u>51,645</u> |
| (e) Investment Properties | | |
| Market Value at 1st January 2024 | 4,351,950 | 4,424,763 |
| Transfer from Functional Fixed Assets | - | - |
| Disposals at Opening Value (Note II) | - | (72,813) |
| Net gain/(loss) on revaluation | - | - |
| | <hr/> | <hr/> |
| Market Value at 31st December 2024 | <u>4,351,950</u> | <u>4,351,950</u> |
| TOTAL FIXED ASSET INVESTMENTS | <u>8,464,516</u> | <u>8,240,309</u> |

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DIOCESE OF HALLAM
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NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

13 Fixed Asset Investments (Continued)

| | 2024 | 2023 |
|----------------------|----------|-----------|
| | £ | £ |
| Note (I) | | |
| Proceeds | 884,500 | 1,479,256 |
| Realised (Gain)/Loss | (46,671) | 13,835 |
| | 837,829 | 1,493,091 |
| | 837,829 | 1,493,091 |
| | | |
| | 2024 | 2023 |
| | £ | £ |
| Note (II) | | |
| Proceeds | - | 72,213 |
| Realised (Gain)/Loss | - | 600 |
| | - | 72,813 |
| | - | 72,813 |

Market Value at 31st December 2024 represented investments held for:-

| | | |
|-----------------|------------|--------------------|
| Parish purposes | £4,406,819 | (2023: £4,396,232) |
| Curial purposes | £4,057,697 | (2023: £3,844,077) |

The historical cost of listed investments is £3,194,522 (2023: £3,195,713).

The unlisted investment in The Catholic National Mutual Limited can only be disposed of *at par*, and the historical cost of that investment is £4,000.

The unlisted investment in Interdiocesan-Fuel Management Ltd was acquired on 31st March 2022 at a value of £4,000 and can only be disposed of *at par*.

Investment Properties are based at the Trustee's best estimate of fair value at the Balance Sheet date.

The Investment Properties were acquired at nil cost on formation of the Diocese in 1980 and on the subsequent transfer of one parish from a separate trustee. The majority of the investment properties were revalued professionally as at 31st December 2022 at open market value by Commercial Property Rotherham Ltd. The remainder of the investment properties were revalued as at 31st December 2022 by other valuers, local to their location.

All investment properties are situated in the UK.

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(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

| | | |
|--|------------------|------------------|
| 14 Debtors | 2024 | 2023 |
| | £ | £ |
| Amounts falling due within one year | | |
| Accrued Interest receivable | 1,505 | 3,192 |
| Gift Aid Tax recoverable | 60,041 | 35,519 |
| Legacies | 469,056 | 28,886 |
| Other Debtors | 812,705 | 840,311 |
| Prepayments | 132,519 | 117,645 |
| Pastoral Loans | 32,592 | 13,306 |
| | <u>1,508,418</u> | <u>1,038,859</u> |

The Pastoral Loans made are to priests, interest free and repayable on demand.

Other Debtors includes £486,815 (2023: £489,815) set-up costs met on behalf of the two diocesan Multi Academy Trusts established during 2022. The loan is interest free. Whilst still repayable on demand, this will be reimbursed over the coming years, as the Trusts grow.

All debtors are repayable within one year.

| | | |
|---|----------------|------------------|
| 15 Liabilities: Amounts falling due within one year | 2024 | 2023 |
| | £ | £ |
| Sundry Creditors | 124,125 | 152,869 |
| D/E LCVAP funding held for Diocesan Voluntary Aided Schools | 659,539 | 762,310 |
| PAYE Creditor | - | 5,257 |
| Third Party Collections | 44,692 | 41,357 |
| Accruals | 74,574 | 83,793 |
| | <u>902,930</u> | <u>1,045,586</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

16 Restricted Funds

| | Balance 1.1.24 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.24 £ |
|--|------------------------|----------------|------------------|----------------|---------------------------------------|--------------------------|
| <u>Parish Funds</u> | | | | | | |
| Parish Restricted Property | 5,321,774 | - | (129,397) | - | - | 5,192,377 |
| J.J. Eyre Fund (St Vincent's) | 33,816 | 1,664 | (5,353) | - | 3,382 | 33,509 |
| J.J. Eyre Fund (St Marie's) | 55,387 | 2,771 | - | - | 7,205 | 65,363 |
| Other Restricted Parish Funds | 477,298 | - | (11,727) | (19,817) | - | 445,754 |
| <u>Curial Funds</u> | | | | | | |
| Sick & Retired Clergy Fund | 7,827 | 15,225 | (139,642) | 118,637 | - | 2,047 |
| Priests' Training Fund | - | 69,621 | (18,916) | - | - | 50,705 |
| Foundation Masses Fund | 22,518 | 339 | (339) | - | - | 22,518 |
| Diocesan Schools' Building Fund | 51,772 | - | 3,785 | - | - | 55,557 |
| National Singing Programme Fund | 12,775 | 45,500 | (34,655) | - | - | 23,620 |
| Caritas: National Lottery Community Fund | - | 52,200 | (26,100) | - | - | 26,100 |
| Caritas: Other Restricted Funds | - | 86,600 | (10,275) | - | - | 76,325 |
| Lourdes Pilgrimage : Restricted Fund | 1,500 | - | - | - | - | 1,500 |
| St. Wilfrid's Centre Restricted Funds | 3,763 | 9,306 | (9,806) | - | - | 3,263 |
| St. Wilfrid's Place Restricted Fund | 1,370,839 | - | (31,880) | - | - | 1,338,959 |
| | <u>7,359,269</u> | <u>283,226</u> | <u>(414,305)</u> | <u>98,820</u> | <u>10,587</u> | <u>7,337,597</u> |

- (a) Parish Restricted Property Fund - This Fund represents the Parish property that is subject to a Special Trust, at its net book value at the Balance Sheet date.
- (b) Other Restricted Parish Funds – This Fund predominantly represents funds arising from the disposal of Solly Street by St Vincent's Parish, which are to be used only for the benefit of that parish.
- (c) St Wilfrid's Place Restricted Fund – This Fund represents the amounts received in respect of a project in Sheffield to provide supported housing, for adults, which had not been expended at the Balance Sheet date.
- (d) Caritas: National Lottery Community Fund – This Fund represents the grants received from the National Lottery Community Fund Reaching Communities/Partnerships in relation to counselling services, which had not been expended at the Balance Sheet date.
- (e) Caritas: Other Restricted Funds - This Fund represents the balance of grants received in respect of counselling services, which had not been expended at the Balance Sheet date.
- (f) Diocesan Schools' Building Fund' Training Fund - This Fund represents the amounts received by this Fund to enable grants to be made to diocesan Voluntary Aided Schools to assist them in financing the Governors' 10% liability for building improvements and repairs of school buildings.

17 Unrestricted Funds

| | Balance 1.1.24 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains (Losses) £ | Balance 31.12.24 £ |
|--------------------------------|------------------------|------------------|--------------------|------------------|--------------------------------------|--------------------------|
| <u>Parish Funds</u> | | | | | | |
| General Fund | 8,022,697 | 3,866,502 | (2,796,828) | (770,454) | - | 8,321,917 |
| Designated Funds | | | | | | |
| Parishes Fund for Fixed Assets | 12,568,872 | - | (571,571) | 43,235 | - | 12,040,536 |
| | <u>20,591,569</u> | <u>3,866,502</u> | <u>(3,368,399)</u> | <u>(727,219)</u> | <u>-</u> | <u>20,362,453</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

17 Unrestricted Funds (Continued)

| | Balance 1.1.24 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.24 £ |
|------------------------------|------------------------|------------------|--------------------|----------------|---------------------------------------|--------------------------|
| <u>Curial Funds</u> | | | | | | |
| General Funds | 2,951,996 | 1,155,768 | (1,172,772) | 653,223 | 225,496 | 3,813,711 |
| Designated Funds | | | | | | |
| Curial Fund for Fixed Assets | 1,938,414 | 9,250 | (53,380) | (35,009) | - | 1,859,275 |
| Needy Parishes Fund | 23,767 | 2,938 | - | - | - | 26,705 |
| Caritas Hallam Fund | 263,606 | 221,021 | (305,172) | - | 15,501 | 194,956 |
| St. Wilfrid's Centre Funds | 360,583 | 396,622 | (435,464) | 50,000 | - | 371,741 |
| St. Wilfrid's Place Fund | 576,540 | 106,478 | (28,738) | (50,000) | - | 604,280 |
| Lourdes Pilgrimage Fund | 22,320 | 157,956 | (183,927) | 10,185 | - | 6,534 |
| Walsingham Pilgrimage Fund | 3,183 | 51 | (220) | - | - | 3,014 |
| | <u>6,140,409</u> | <u>2,050,084</u> | <u>(2,179,673)</u> | <u>628,399</u> | <u>240,997</u> | <u>6,880,216</u> |

(a) Parish Fund for Fixed Assets - This Fund comprises the amount of the net book value of fixed assets for Parish use at the balance sheet date.

(b) Curial Fund for Fixed Assets - This Fund comprises the amount of the net book value of fixed assets for general Diocesan use at the balance sheet date.

(c) Caritas Hallam Fund – This Fund represents the amount designated for the activities of Caritas Hallam.

(d) St Wilfrid's Centre Funds – This represents funds designated for the operation of St Wilfrid's Centre.

(e) St Wilfrid's Place Fund – This Fund represents the amount designated in respect of a project in Sheffield providing supported housing, for adults, which had not been expended at the Balance Sheet date.

18 Analysis of Net Assets Between Funds

| | Unrestricted Funds 2024 £ | Restricted Funds 2024 £ | Total Funds 2024 £ |
|---|------------------------------------|----------------------------------|-----------------------------|
| Fund Balances at 31st December 2024 | 27,242,669 | 7,337,597 | 34,580,266 |
| Represented by:- | | | |
| Tangible Fixed Assets | 14,528,327 | 5,113,552 | 19,641,879 |
| Investments | 6,920,647 | 1,543,869 | 8,464,516 |
| Current Assets | 7,131,783 | 245,018 | 7,376,801 |
| Inter-fund offset | (437,382) | 437,382 | - |
| Liabilities : Amounts falling due within one year | (900,706) | (2,224) | (902,930) |
| Total Net Assets | <u>27,242,669</u> | <u>7,337,597</u> | <u>34,580,266</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

19 Detailed Analysis of Net Assets Between Funds

| <i>PARISHES</i> | Tangible Fixed Assets £ | Investments £ | Net Assets £ | Inter-Fund Loans £ | TOTAL £ |
|--|-------------------------------|------------------|--------------------|--------------------------|------------|
| Restricted Funds | | | | | |
| Parish Restricted Property Fund | 3,712,377 | 1,480,000 | - | - | 5,192,377 |
| J.J. Eyre Fund (St Vincent's) | - | 20,143 | 13,366 | - | 33,509 |
| J.J. Eyre Fund (St. Marie's) | - | 34,726 | 30,637 | - | 65,363 |
| Other Restricted Parish Funds | - | - | 8,372 | 437,382 | 445,754 |
| Unrestricted Funds | | | | | |
| <i>Designated</i> | | | | | |
| Parishes Fund for Fixed Assets | 12,040,536 | - | - | - | 12,040,536 |
| <i>Other Unrestricted Funds</i> | | | | | |
| General Reserves | - | 2,871,950 | 2,007,622 | 3,442,345 | 8,321,917 |
| | 15,752,913 | 4,406,819 | 2,059,997 | 3,879,727 | 26,099,456 |
| CURIA | | | | | |
| Restricted Funds | | | | | |
| Sick & Retired Clergy Fund | 61,216 | - | (59,169) | - | 2,047 |
| Priests' Training Fund | - | - | 50,705 | - | 50,705 |
| Foundation Masses Fund | - | 9,000 | 13,518 | - | 22,518 |
| Diocesan Schools' Building Fund | - | - | 55,557 | - | 55,557 |
| National Singing Programme Fund | - | - | 23,620 | - | 23,620 |
| Caritas: National Lottery Community Fund | - | - | 26,100 | - | 26,100 |
| Caritas: Other Restricted Grants | - | - | 76,325 | - | 76,325 |
| St. Wilfrid's Centre: Restricted Grants | 1,000 | - | 2,263 | - | 3,263 |
| St. Wilfrid's Place Restricted | 1,338,959 | - | - | - | 1,338,959 |
| Lourdes Pilgrimage: Sick Child Fund | - | - | 1,500 | - | 1,500 |
| | 1,401,175 | 9,000 | 190,419 | - | 1,600,594 |
| Unrestricted Funds | | | | | |
| <i>Designated</i> | | | | | |
| Curial Fund for Fixed Assets | 1,888,791 | - | - | (29,516) | 1,859,275 |
| Needy Parishes Fund | - | - | 26,705 | - | 26,705 |
| Caritas Hallam Fund | - | 244,799 | (49,843) | - | 194,956 |
| St. Wilfrid's Centre Funds | 216,545 | - | 196,195 | (40,999) | 371,741 |
| St. Wilfrid's Place Fund | 382,455 | - | 173,678 | 48,147 | 604,280 |
| Lourdes Pilgrimage Fund | - | - | 9,702 | (3,168) | 6,534 |
| Walsingham Pilgrimage Fund | - | - | 3,014 | - | 3,014 |
| <i>Other Unrestricted Funds</i> | | | | | |
| General Reserves | - | 3,803,898 | 3,864,004 | (3,854,191) | 3,813,711 |
| | 3,888,966 | 4,057,697 | 4,413,874 | (3,879,727) | 8,480,810 |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2024

20 Third Party Collections

Third Party collections are taken in Churches with the permission of the Charity but the funds are not under the control of the Charity and are excluded from the Statement of Financial Activities.

21 Entitlement to Future Legacies

Legacies are recognised when there is entitlement, certainty of receipt, and the legacy can be measured. The charity considers that entitlement is when estate accounts are settled/there is notification of a distribution.

22 Connected Charities and Related Party Transactions

The Bishop of Hallam appoints Foundation Directors of Catholic Voluntary Academies and the two diocesan Multi Academy Trusts and Foundation Governors to the Governing Bodies of Diocesan Schools. Foundation Directors/Governors form a majority in each Trust/school. The addresses of Diocesan Schools are detailed on the Diocesan website. Grants made by the charity to Voluntary Aided schools for building and repair costs, through the Diocesan Schools Building Fund amounted to (£3,905) (2023: £6,940). No grants were made to schools by parishes during the year (2023: £Nil). At 31st December 2024 the charity held funds amounting to £659,539 (2023:£762,310) representing DfE grant money held for Diocesan VA Schools. The corresponding creditor is shown in Note 15.

Diocese of Hallam Trustee is also Trustee of St. Michael's Roman Catholic Church and Presbytery, Hathersage, a separate charity. At 31st December 2024, the charity held £28,277 on behalf of the above charity.

23 Financial Instruments

The charity had the following financial instruments:

| | 2024 £ | 2023 £ |
|---|-----------|-----------|
| Financial assets at fair value through Statement of Financial Activities: | | |
| Fixed & current asset investments – Equity investments and deposits | 5,112,566 | 3,888,359 |
| Financial assets that are debt instruments measured at amortised cost: | | |
| Debtors | 1,375,899 | 921,214 |
| Financial liabilities measured at amortised cost: | | |
| Creditors | 902,930 | 1,045,586 |
| | 902,930 | 1,045,586 |

24 Commitments

| | 2024 £ | 2023 £ |
|---|-----------|-----------|
| <i>Authorised:-</i> | | |
| Parish Expenditure | 45,120 | 33,971 |
| Curial Expenditure | 3,749 | - |
| Included in amounts authorised are net amounts contracted for : | 45,120 | 33,971 |

DIOCESE OF HALLAM TRUSTEE

Hallam Pastoral Centre, St Charles Street, Sheffield S9 3WU

30 October 2025

Warrens Accountants Limited
Chartered Certified Accountants
Registered Auditors
33 Thorne Road
Doncaster
DN1 2HD

Dear Sirs,

Letter of Representation

We provide this letter in connection with your audit of the financial statements of the Diocese of Hallam for the year ended 31st December 2024 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the charity as at 31st December 2024 and of the results of its operations for the year ended in accordance with UK Generally Accepted Accounting Practice (“UK GAAP”) and SORP FRS102.

We confirm that the following representations are made based on sufficient enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation and that, to the best of our knowledge and belief, we can properly make each of these representations to you.

1. We have fulfilled our responsibility for the financial statements of the charity and for their presentation in accordance with UK GAAP.
2. We have fulfilled our responsibility as members of the Finance Board of the trustee for making accurate representations to you.
3. We have fulfilled our responsibility for the design and implementation of internal controls to prevent and detect fraud and errors.
4. All accounting records and relevant information have been made available to you for the purpose of your audit and we have granted unrestricted access to personnel of the charity.
5. All the transactions undertaken by the charity have been properly reflected and recorded in the accounting records or other information provided to you.
6. In respect of accounting estimates and judgements, we confirm our belief that the significant assumptions used are reasonable.
7. No claims in connection with litigation have been or are expected to be received other than those disclosed to yourselves and provided for in the financial statements.
8. All grants, donations and other incoming resources, the receipt of which is subject to specific terms and conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such incoming resources.

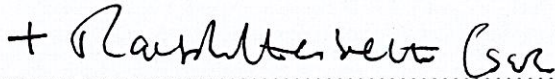
9. We are not aware of any breaches of our charitable trusts and that we have advised you of the existence of all endowments and funds maintained by us.
10. There have been no events since the balance sheet date which require disclosure or which would materially affect the amounts in the financial statements. Should any material events occur which may necessitate revision of the figures in the financial statements, or inclusion in a note thereto, we will advise you accordingly. We specifically authorise Mr EJ Whittaker, secretary to the Board of Finance to provide an update for you to cover the time period between the signing of this letter and the date of your audit report.
11. We have assessed that there is no significant risk that the financial statements are materially misstated as a result of fraud.
12. We are not aware of any fraud or suspect fraud affecting the charity involving those charged with governance, management or other employees who have a significant role in internal control or who could have a material effect on the financial statements.
13. We are not aware of any allegations by employees, former employees, regulators or others of fraud, or suspected fraud, which would have an impact on the charity's financial statements.
14. We are not aware of any known or suspected instances of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its business.
15. We confirm that complete information has been provided to you regarding the identification of related parties and that we are not aware of any significant transactions with related parties, other than those already disclosed within the financial statements.
16. We confirm we have appropriately accounted for and disclosed related party relationships and transactions in accordance with Financial Reporting Standard 102 Section 33 and with the recommendations of the Charities SORP (FRS 102).
17. There are no liabilities or contingent liabilities or guarantees that we have given to third parties other than those disclosed in the financial statements.
18. The charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets, except for those that are disclosed in the financial statements.
19. The charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
20. We confirm that in our opinion the MAT Project debtors of £486,815 and School Department debtors owed at the 31 December 2024 remaining outstanding at the date of this letter will be recoverable in full.
21. We confirm that, having considered our expectations and intentions for the next twelve months and the availability of working capital, the charity is a going concern. We are unaware of any events, conditions, or related business risks beyond the period of assessment that may cast significant doubt on the charity's ability to continue as going concern at least until the 31st October 2026.
22. Except as disclosed in the accounts, the result for the period were not materially affected by:
 - Transactions of a sort not usually undertaken by the charity.
 - Exceptional or extraordinary items or circumstances.
 - Charges or credits relating to prior period.
 - Any change in the basis of accounting.

DIOCESE OF HALLAM TRUSTEE
Hallam Pastoral Centre, St Charles Street, Sheffield S9 3WU

23. We confirm that all correspondence with the Charity Commission and other regulators has been made available to you, including Serious Incident Reports made to the Charity Commission.
24. We confirm that the attached actual and potential errors identified from the audit work undertaken are not material and are to remain unadjusted in the financial statements.

Yours sincerely

Approved by the board on 30 October 2025 and signed on their behalf by:

+ 

.....
Rt. Rev. Ralph Heskett, C.Ss.R.
Member of Finance Board

ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

England & Wales - Charity number 512021

Accounts

DIOCESE OF HALLAM

**Roman Catholic Diocese of Hallam Trust
(Registered Charity No. 512021)**

**ANNUAL REPORT
AND FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2023**

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

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DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

Legal & Administrative Details

Legal Status

The Roman Catholic Diocese of Hallam Trust is a charitable trust, established by a Trust Deed dated 28th October 1981. The Charity Registration number is 512021. The charity is registered with the H.M. Revenue & Customs for tax exemption purposes under reference XN57643A.

The Trust is administered by a Trust Corporation, Diocese of Hallam Trustee, incorporated 26th October 1981 and whose Company Registration Number is 01593544. Diocese of Hallam Trustee is a Company Limited by Guarantee with a licence from the Secretary of State for Business, Innovation & Skills to dispense with the word Limited from its name.

As at 31st December 2023 there were 9 Members of the Finance Board of Diocese of Hallam Trustee.

Directors of Diocese of Hallam Trustee (who served during the year)
(Known as Members of the Finance Board)

Right Reverend Ralph Heskett, C.Ss.R.
Ms. C. Bailey, RN, BEM
Reverend D. Humphries - Appointed 6th December 2023
Reverend P.D. McGuire
H.H. M.J. Murphy
Reverend C.M. Posluszny
Mrs A.M. Ryalls
Reverend Monsignor D.M. Sexton, V.G.
Reverend Dr. A.J. Strike – Appointed 8th March 2023

Secretary to the Finance Board of Diocese of Hallam Trustee

E.J. Whittaker

Key Personnel:-

Finance Dept:- E.J. Whittaker
Schools Dept:- P. Patterson (To 31st August 2023), A. Dewhurst (From 1st September 2023), & R. Sawyer

**Principal Address of Charity
& Registered Office of Trustee**

The Diocese of Hallam Pastoral Centre,
St. Charles Street,
Sheffield. S9 3WU

Principal Bankers

HSBC Bank plc,
22 The Moor,
Sheffield. S1 2PA

Solicitors

Taylor & Emmet LLP,
20 Arundel Gate,
Sheffield. S1 2PP

Insurance Managers

Catholic Insurance Service Limited,
Suite 5, Oxford House, Oxford Road
Thame, Oxfordshire. OX9 2AH

Accountants

W.H. Prior
Chartered Certified Accountants
Railway Court,
Doncaster. DN4 5FB

Investment Managers

Rathbones Group plc (Investec Wealth and Investment Ltd),
Beech House,
61 Napier Street,
Sheffield. S11 8HA

Auditors

Warrens Accountants Limited
Chartered Certified Accountants & Statutory Auditor
33 Thorne Road,
Doncaster. DN1 2HD

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT

Year Ended 31st December 2023

The Trustee presents its Report and Financial Statements for the Year Ended 31st December 2023. The Statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – Charities SORP FRS102.

HISTORY AND ORGANISATION

The Roman Catholic Diocese of Hallam is a charitable trust, established by a Trust Deed dated 28th October 1981, amended by a deed of variation dated 20th July 2006. The Diocese of Hallam was formed on 30th May 1980 from the division of the Dioceses of Leeds and Nottingham. The Trust is a Registered Charity, registration number 512021 and its sole Trustee is Diocese of Hallam Trustee as detailed on Page 1. The objects of the charity are:-

'To advance the Roman Catholic Religion in the Hallam Diocese by such means being charitable as the Bishop of Hallam may think fit and proper and for the service and support whether in the Hallam Diocese or outside the Hallam Diocese by such means as aforesaid of charitable works and objects promoted by the Church'.

The Diocese of Hallam consists of 52 parishes in the county of South Yorkshire, parts of the High Peak and Chesterfield Districts of Derbyshire, and the district of Bassetlaw in Nottinghamshire. Mass attendance for 2023 averaged 8,810 (2022: 7,818)

STRUCTURE, GOVERNANCE & MANAGEMENT

The Roman Catholic Diocese of Hallam Trust is a charitable trust established by Trust Deed. The power of appointment of Trustees is vested in the Bishop of Hallam. The Charity is administered by the trust corporation Diocese of Hallam Trustee, a company limited by guarantee and not having share capital, registered under the Companies Acts (No. 01593544). The directors of Diocese of Hallam Trustee are known as Members of the Finance Board.

The sole trustee is the trust corporation Diocese of Hallam Trustee. The Bishop of Hallam appoints the Members of the Finance Board under article 31 of the Trust Corporation's Articles of Association. The Members of the Finance Board comprise clergy and laity and are appointed for their expertise. New Members of the Finance Board are provided with an information pack relating to the constitution, governance and operation of the charity, and ongoing training is provided to all Members. The Members of the Finance Board who served during the year, and as at the date of this Report are detailed on Page 1.

The Finance Board of Diocese of Hallam Trustee meets approximately every six weeks. The Board receives reports from senior officers and various committees, considers proposals for major expenditure and, under the leadership of the Bishop, sets the strategic direction of the charity.

The Schools' Department gives advice to Catholic, and joint Catholic and Church of England, schools in the Diocese. The Diocesan Board of Education meets regularly to help facilitate the Bishop's vision for the creation of two Catholic Multi academy trusts across the diocese. The Board meet to support the Bishop and the schools in a wide range of matters. The Board comprises of Bishop Ralph, the Episcopal Vicar for Schools, officers of the Schools' Department and the Director of Finance. The CEOs of St Clare's and St Francis CMATs are in attendance as non-voting members. The Diocesan Building Committee normally meets one week before each Finance Board meeting. That committee monitors property matters in more depth and reports to the Finance Board with their recommendations. It holds delegated responsibility for building projects below £40,000. Rev. C. Posluszny represented the Finance Board on the Diocesan Building Committee, and the Director of Finance and Diocesan Property Manager are in attendance.

The Investment Sub-Committee of the Finance Board of Diocese of Hallam Trustee monitors performance and sets benchmarks for the investment managers. The Sub-Committee consists of at least one member of the Finance Board and throughout 2023 this Committee comprised of the Bishop, Mr. S. Hanlon, Rev. M. McManus, and the Director of Finance. The Diocesan Health & Safety Sub-Committee met regularly in 2023 .

Diocesan Organisations operate under the supervision of a Member of the Finance Board, as Executive of Diocese of Hallam Trustee, or a senior member of staff, operating under delegation, who reports to the Finance Board.

Following the Elliott Review, the Trustee's Safeguarding Committee was formed to replace the Diocesan Safeguarding Commission in 2022. The Trustee's Safeguarding Committee meets several times a year and presents regular reports to the Bishop and Finance Board. The trust has recruited a lay Trustee with extensive safeguarding experience to chair the Trustee safeguarding Committee and ensures that safeguarding matters are given the priority they deserve at every trustee board meeting. The Safeguarding Committee seeks to implement National and Diocesan Policies, Guidelines and Procedures on the care and protection of children and vulnerable adults and works closely with the Catholic Safeguarding Standards Agency (CSSA), Local Safeguarding Representatives in each parish, safeguarding representatives in diocesan organisations, and relevant statutory bodies.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2023

Parish Priests administer the financial affairs of the Parishes, and act as agents of Diocese of Hallam Trustee. They are assisted by a Parish Finance Committee who offer advice and support. In parishes, and in Diocesan organisations, the Charity relies on the generous support of a large number of volunteers who offer their time and skills freely.

PUBLIC BENEFIT

The celebration of Mass is central to the Roman Catholic faith, and this is the main use of the 60 Churches operated by the charity. Whilst Sunday is the principal day of worship, many of our churches are open each day and are accessible to all. Every week the parish community comes together to celebrate the mystery of our faith - the death and resurrection of Our Lord Jesus Christ. People gather in prayer and praise of God, and to seek God's help and forgiveness. Anyone is welcome to attend services, or just to take a moment in a sacred space for peace and stillness in order to pray and there is no question of any fee or charge.

We also celebrate the sacraments, primarily within each parish community. Many of these are linked to the milestones in people's lives. At Baptism an individual becomes part of the body of Christ, and part of the Church. From their First Communion they are able to take part fully in the Eucharist. Confirmation affirms them in their faith and normally takes place at adolescence. In Marriage the individual forms a covenant with their partner. The Anointing of the Sick, and the Sacrament of Reconciliation are the two sacraments of healing, and through Holy Orders ordination as a priest or deacon is conferred.

The parish priests and clergy guide each parish community, under the authority of the Bishop, who is our shepherd and teacher. Many parish buildings are also used for social events and activities that benefit the wider community.

Through Diocesan Agencies a wide range of services are supported by the Diocese. For example, the Diocesan Schools' Department assists the work of the Voluntary Aided Catholic, and Catholic Voluntary Academy, schools in the Diocese, through training, guidance and advice to headteachers and governors. This includes the development and monitoring of religious education, the Section 48 inspection of schools, advising on the appointment of senior staff and succession planning, planning of school places and the maintenance and provision of school buildings. The department works closely with the four councils and two county councils that cover the Diocese and the Governors of Voluntary Aided Schools, and the Directors of the Academy Trusts. Through the Diocesan Schools' Building Fund, grants are made to Voluntary Aided governing bodies towards the capital cost of school buildings. Each school is an exempt charity, and maintained schools and Catholic Voluntary Academies provide education free of charge. Whilst these schools are not part of the charity, the Diocese plays a key role in supporting them and this has an enormous impact on all their pupils, regardless of whether or not they have any religious affiliation.

Diocesan Organisations, such as St. Wilfrid's Centre, provide a further opportunity for the Church to reach out to the wider community. St. Wilfrid's Centre gives practical help and support to homeless and vulnerable people who experience the burden of social exclusion. Most of its clients are affected by homelessness, poverty, mental health needs, addiction, extreme isolation and institutionalisation. It welcomes all, without distinction of race, national origin, sex, sexual orientation, political, religious or other opinions. Projects such as this are one way in which the Diocese tries to meet Christ's commandment to "*Love your neighbour as yourself*".

The Members of the Finance Board confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

ACHIEVEMENTS & PERFORMANCE

The primary area that the Charity seeks to fulfil its objectives is through its 52 parishes. They do not exist as independent congregations, and it is the parishes together with diocesan agencies and organisations that together make up the charity. As a result of pastoral work and preparations in these parishes in 2023 there were 679 baptisms, 57 receptions into the Church, 130 marriages and 487 funerals. There were also 731 children receiving their First Communion and 423 Confirmations.

The Caritas counselling services continued to grow and offered over 10,000 hours of counselling to individuals in schools, parish and communities. The counselling team grew to 23 qualified counsellors who were employed on a sessional basis. We were particularly pleased to embed into service the regular support of 12 final year counselling students on placement.

The Carmel Care project grew from opening three afternoons per week to opening six days a week, with a further two evening sessions. We would want to acknowledge the grant funding from the National Lottery which enabled Carmel to develop community involvement and to grow volunteer opportunities in the project, which continued to address the impact of the pandemic.

Caritas were grateful for the generous grant support from the Albert Gubay Trust which enable us to support over forty individuals with experience of domestic abuse. It is expected that this support is likely to expand in future years.

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(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2023

2023 was a very busy year for Youth Ministry. The Diocese again had a large number of young people attend Flame at Wembley Arena in March 2023. The theme of Flame 2023 was "Rise Up!" as it encouraged our youth to rise up after the pandemic, rise up as young Catholics and rise up for the adventure that is our Catholic faith. Flame came ahead of World Youth Day where Bishop Ralph was accompanied in Lisbon by a group of our young people. They joined with 354,000 pilgrims from more than 200 countries.

Within the diocese Youth Ministry continued to develop links with parishes and schools, supporting the Faith in Action awards, fundraising events, school retreats and growing the young leaders group.

The Formation & Mission team were active across the diocese preparing for the Synod which took place in October 2023. The Formation & Mission team coordinated the process of discussions that took place in many of our parishes and then compiled all the feedback into one document that was our diocese input into the synod. The final document from Hallam submitted to the Bishop Conference was well received by the national coordinators.

Activities that take place outside of the parishes are defined as "Curial". These consist of Diocesan Agencies and Diocesan Organisations who work alongside parishes in fulfilling the objects of the Charity and the mission of the Church.

Diocesan Agencies work under the direct supervision of the Bishop and Finance Board to meet specific pastoral, administrative or liturgical needs identified by the Bishop. Budgets are set and they are encouraged to generate income wherever feasible, and such income is detailed in Note 4 of the financial statements. The net cost of Diocesan Agencies is met initially by income from Diocesan investments and the balance is "assessed" on the Parishes through the "Parish Assessment".

Diocesan Agencies and other expenditure funded by assessment include:-

- Bishop of Hallam's Office
- Schools' Department
- Mission & Formation
- Property Management Department
- Young Adults Ministry & University Chaplaincies (University of Sheffield & Sheffield Hallam University)
- Finance Department
- Tribunal
- Youth Ministry
- Safeguarding
- Hallam Pastoral Centre
- National Levies – CaTEW Bishops' Conference of England & Wales, CES, etc.
- Professional fees
- Diocesan Grants
- Historic Churches Committee & Diocesan Archivist

Diocesan Organisations are not financed through Parish Assessments, and are self-financing, although a number of these projects rely on the generosity of Parishes and parishioners. Their gross income is detailed in Note 4. The income and expenditure of these projects forms a substantial part of "Curial" activities. They include:-

- Caritas Hallam – Children & Family Support, Pastoral Care for Deaf People, and Carmel Care
- St. Wilfrid's Centre – a project supporting homeless and vulnerable people
- St. Wilfrid's Place - providing short-term residential accommodation to vulnerable people
- Diocesan Pilgrimage to Lourdes
- Diocesan Pilgrimage to Walsingham
- Diocesan Pilgrimage to Padley
- Youth activities
- Justice & Peace Commission

Across all the diocese of England & Wales the variously named Caring Services have adopted a standardised title of Caritas. Caritas works alongside other diocesan Caritas bodies and with the Caritas organisation worldwide. The work undertaken by Caritas Hallam expanded further in 2023 to meet the growing demand for mental health and counselling services following the pandemic.

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ANNUAL REPORT (Continued) Year Ended 31st December 2023

FINANCIAL REVIEW

PARISH ACTIVITIES

Parish Offertory Collections (excluding Gift Aid) amounted to £1,799,325 compared to £1,707,908 in 2022, an increase of 5%. The average giving per person for 2023 by reference to attendance is calculated at £3.93 (£4.20 per week 2022). Parish collections and other voluntary income represented 65% of total gross parish income (2022: 70%). Gift Aid tax recoverable from H.M. Revenue & Customs totalled £300,836 in 2023 (2022: £328,271), a decrease of 8%, following an increase of 24% in 2022 and 5% fall in 2021.

Parishes received legacies of £525,244 in 2023 (2022: £265,171). This includes one legacy of £314,979 that benefited two parishes. The use of parish halls and other functional property in the year increased for a second consecutive year, following the quite limited use in 2021 due to Covid-19. Income from functional property was £243,215 an increase of 35% following an increase of 61% in 2022, returning to the level of 2019. The income from parish investment properties decreased by 14% in 2023 - £343,159 compared to £399,429 in 2022 and £317,491 in 2021. The cost of repairs and management of those investment properties decreased to £41,219 in 2023 from £110,163 in 2022.

The cost of parish property repairs continued to be a significant area of parish expenditure, and increased by 8% with a cost of £633,430 in 2023 (2022: £584,644). This is still less than the previous rate (£773,004 in 2021) but remains a significant area of expenditure. The impact of gas and electricity price increases also impacted significantly in 2023 when the previously fixed rates with IFM (Inter-Diocesan Fuel Management Ltd) were renewed nationally. The cost of Heat & Light in Parishes in 2023 was ££589,745 compared to £273,047 in 2022.

Invoices for major improvements and new buildings are paid centrally by the Diocese, and charged to the appropriate parish's "Parish Ledger" account with the Diocese. Expenditure on new buildings and major expenditure that is considered to extend the life of existing properties is capitalised and depreciated. Similarly, assets with a cost of over £5,000 are capitalised and depreciated over their estimated useful lives. All legal fees and agents' costs are added to the costs of the asset.

Major projects in 2023 included:-

- ❑ **Our Lady Queen of Peace , Chesterfield**– The work to re-order the Parish Centre at the Church of the Annunciation continued in 2023 and due to some difficulties was still in progress as at 31st December 2023, with a value of £489,272. Work will be completed in 2024 with an anticipated total cost of £523,244.
- ❑ **St. Peter-in-Chains, Doncaster** – A number of separate projects were completed during the year, including:-
 - Replacement of flooring in the Church £18,465
 - Replacement windows & doors in the Church Hall £17,700
 - Replacement kitchen in the presbytery £17,354
 - External decorating – Church, Hall & Presbytery £16,879
 - Repairs to Church Windows £8,887
 - Windows replaced in parish property on Chequer Road, Doncaster £6,225
- ❑ **Our Lady of Mount Carmel, Doncaster** – Work to repair the presbytery at the Chapel of Ease, Kirk Sandall, which had been occupied by a retired priest was carried out during the year at a cost of £14,458.
- ❑ **St. Alban's, Denaby** – The boiler was replaced in 2023 at a cost of £8,040.
- ❑ **St Mary Magdalene's, Maltby** – Repairs carried out to the Coleman Centre, which is used by the Foodbank, at a cost of £6,074.

Before unrealised gains on investments, Parish Assessments and other transfers the Parishes cumulatively resulted in a surplus of £448,091 (2022 £470,832 surplus). Changes in the value of parish investment during the year increased Parish Funds by £8,033 making the net surplus before internal transfers £456,124 (2022: £1,635,589 surplus). Parish Assessments of £586,456 (a 6% increase on the £553,260 Assessment in 2022), and other internal transfers, reduced this to an overall net decrease of Parish funds of £139,508 (2022: net increase of £1,072,227).

Total Parish funds carried forward at 31st December 2023 amounted to £26,479,844 of which £16,410,646 was tied-up in functional property and other fixed assets in everyday use by parishes for charitable purposes.

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ANNUAL REPORT (Continued) Year Ended 31st December 2023

CURIAL ACTIVITIES

Total Curial income increased by 22% in 2023, following an increase of 2% in 2022. Voluntary donations increased by 20% to £200,467, but grant income decreased by 40% to £105,270 from £174,937. Income from Charitable Activities increased to £1,086,196 reflecting the increased activity. Investment income increased significantly (82%) as the income from dividends increased, and the majority of this increase was due to the increased level of bank interest on deposits, from its negligible rate. Bank interest received in 2023 was £75,010 compared to £4,448 in 2022.

Expenditure on Charitable Activities was higher in 2023, compared to the previous year (an increase of 10%), again reflecting the increased activity. Investment Management costs of £26,076 were 8% lower than 2022.

There was a net Curial deficit after expenditure and transfers, of £252,695 compared to a net deficit of £966,745 in 2022.

Total Curial funds carried forward as at 31st December 2023 amounted to £7,611,403, of which £4,046,032 is reflected in tangible fixed assets.

SUMMARY

The summary below gives an indication of the financial activities of the Diocese.

| <u>Parishes</u> | 2023 | 2022 |
|--|--------------------|--------------------|
| | £ | £ |
| Income | 3,914,867 | 3,549,146 |
| <u>Deduct: Expenditure</u> | <u>(3,466,776)</u> | <u>(3,078,314)</u> |
| Investment Gains/(Losses) | 8,033 | 1,164,757 |
| Surplus/(Deficit) before Parish Assessment | 456,124 | 1,635,589 |
| | | |
| Parish Assessment and other transfers | <u>(595,632)</u> | <u>(563,362)</u> |
| (Decrease)/Increase in reserves | <u>(139,508)</u> | <u>1,072,227</u> |
| | | |
| <u>Curia</u> | | |
| | | |
| Parish Assessment and other transfers | 595,632 | 563,362 |
| Other income | <u>1,614,757</u> | <u>1,325,179</u> |
| Total income | 2,210,389 | 1,888,541 |
| <u>Deduct: Expenditure</u> | <u>(2,580,442)</u> | <u>(2,337,370)</u> |
| Investment Gains/(Losses) | <u>117,358</u> | <u>(517,916)</u> |
| (Decrease) in reserves | <u>(252,695)</u> | <u>(966,745)</u> |

GOING CONCERN

The Charity's activities, together with the factors likely to affect its future development, principal risks and uncertainties facing the Charity and its availability of unencumbered cash reserves are set out in this Annual Report. Its financial position in terms of the year's results, its assets and liabilities, and movement in cash are set out in the principal financial statements on pages 13 to 16. The Trustees have considered the charity's operations for the next 12 months, as required. The charity has sufficient financial resources, mainly in the form of cash, investments, and property, to meet its obligations. There are no material uncertainties about the Charity's ability to continue as a going concern and it is well placed to manage the various risks identified. The Trustee therefore has a reasonable expectation that the Charity has adequate resources to continue its operations for the foreseeable future. Accordingly the going concern basis continues to be adopted in the preparation of the Annual Report and Accounts.

RESERVES

The Finance Board considers that unrestricted reserves equivalent to two years' charitable expenditure for both Parish and Curial reserves are required. In addition to recurring expenditure the Finance Board acknowledges that, in some areas, income is difficult to sustain, and has identified a number of long-term funding requirements including improvement and repair of functional property, clergy retirement and training and formation for which some funds have been designated.

The total Parish Funds at 31st December 2023 amounted to £26,479,844 of which £5,888,275 are restricted and £12,568,872 designated funds

DIOCESE OF HALLAM
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ANNUAL REPORT (Continued) Year Ended 31st December 2023

The majority of Parish Funds (£16,410,646) are represented by the functional properties (Churches, Halls, Presbyteries) and other fixed assets, which are integral to the operation of the Charity. The free Parish reserves of £8,022,697 represent around 29 months' Parish expenditure, which is above the 24 months' reserves considered to be required for parishes because of the long-term nature of their operations, and is expected to reduce given the expenditure required to meet the challenges in the coming years.

Contracted commitments for amounts contracted for totalled £33,971 at the Year End (2022:£278,645).

The total Curial funds as at 31st December 2023 amounted to £7,611,403 of which £1,470,994 is restricted for specific purposes. Of the remaining £6,140,409 unrestricted curial funds, £2,610,292, reflected the value of functional property and other fixed assets. The general reserves of £3,530,117 represent 16 months' Curial expenditure which is less than the 24 months' reserves considered to be required because of the long-term nature of the charity's operations. The Finance Board continues to take action to review and address the level of Curial reserves and the expected requirement..

INVESTMENT POLICY & PERFORMANCE

Under the trust deed of the Charity, the Trustee may invest, with the consent of the Bishop of Hallam, any money in any manner authorised by law (i.e. the Trustee Act 2000). In 2023 the investment portfolios continued to be managed on a discretionary basis by the investment managers, Investec Wealth and Investment Ltd. The portfolios are managed in line with the ethical investment policy of the Trustees, which is consistent with Church teaching and the Catholic faith. The Sick & Retired Clergy Fund and Priests' Training Fund portfolios were realised in November 2023 and the holdings transferred at market value to the Main Portfolio, releasing cash to those funds. The overall return was positive in 2023, after difficult conditions in 2022, with the Caritas Hallam Portfolio performing better than the Main Portfolio, and both below the benchmark.

| | Total Return % | Total Return Benchmark % | |
|----------------------------|-------------------------------|---|---------------------------|
| Main Portfolio | +5.62 | +10.02 | |
| Caritas Hallam Fund | +8.21 | +10.02 | |
| Sick & Retired Clergy Fund | +4.11 | +7.57 to 30/9/23 | Portfolio closed 22/11/23 |
| Priests' Training Fund | +4.11 | +9.50 to 30/9/23 | Portfolio closed 22/11/23 |

RISK ASSESSMENT

The Finance Board has assessed the major risks to which the Charity is exposed, in particular those related to the operation, investment and finances of the Trust. By monitoring the level of reserves, ensuring control over financial systems and by examining the operational risks faced by the Charity, the Finance Board believes that effective systems have been established to mitigate those risks.

FUND-RAISING

The charity undertakes small scale fund-raising, and applications to charitable trusts for grants. Most fund-raising builds on the connection people have with the Church through their parish and there are no direct appeals by telephone or mailshot to individuals. The charity does not engage professional fund-raisers but does have a part time employee who deals with applications to charitable trusts for grants.

PLANS FOR FUTURE PERIODS

A great deal of work was underway in December 2023, and planned for January 2024, in preparation for the Baseline Audit by the Catholic Safeguarding Standards Agency (CSSA) in February 2024. The outcome of that audit was an overall grade of "*Achieving Results*" which is a great testament to the hard work carried out in implementing the recommendations from the Pilot Audit that took place in June 2022, when the grading was "*Early progress*". The Diocese of Hallam is committed to reviewing the recommendations in the Baseline Audit and bringing them into the ongoing developmental Safeguarding Action Plan, working with everyone to achieve success in the implementation of further development of safeguarding practice within the Diocese.

A sub-group of Trustees will continue to develop the Strategic Vision of the charity, supporting the Bishop and working with the Council of Priests and key stakeholders.

The Diocese will continue to support the Catholic Multi Academy Trust plans and will work to have more of the schools of the Diocese join either St Clare's or St Francis' CMATs.

DIOCESE OF HALLAM
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ANNUAL REPORT (Continued) Year Ended 31st December 2023

THIRD PARTY COLLECTIONS

Parishes in the Diocese supported a wide range of charities by allowing, and often organising, Third Party Collections. However, since these funds are not under the control of Diocese of Hallam Trustee, these collections are not included in the results and balances of the Charity. Balances held at 31st December 2023 for third party charities are included in Creditors.

GRANTS

Curial and Parish grants paid out in 2023 included:-

| | |
|--|---------|
| Catholic Trust for England & Wales (CaTEW) | £29,001 |
| Catholic Education Service (CES) | £17,451 |
| Catholic Safeguarding Standards Authority (CSSA) | £12,504 |

The grants made are all in furtherance of the Charity's objects.

KEY MANAGEMENT PERSONNEL

The key management personnel of the Diocese comprises the Director of Finance and the School Commissioner.. Remuneration for key management personnel is set by the Salaries Sub-Committee, taking into consideration the market rates for similar roles and is periodically reviewed in order to recognise and reward outstanding performance.

RISK MANAGEMENT

The Trustee has overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. The Audit Sub-Committee review, annually, the risks facing the charity which can be categorised into broad headings including (1) Safeguarding (2) Ageing Clergy (3) Education (4) Financial (5) Governance.

- **Safeguarding** - Being loved and being kept safe go to the very core of the Church's ministry. The safeguarding of children and adults at risk is of paramount importance to the Diocese. Failing to prevent abuse of the vulnerable has serious repercussions for the individual, the mission of the Church and the Diocese. To mitigate this risk the Diocese follows the policies and procedures put in place by the Catholic Safeguarding Standards Authority (CSSA) which are enforced by the Safeguarding department. The department promotes a safe recruitment policy and provides training across the diocese to reinforce safeguarding procedures. They also respond to any allegation, past or present, of inappropriate behaviour or actual abuse by any member or person working for the Charity, paid or unpaid, liaising with the police and other statutory authorities. The Trustee Safeguarding Committee oversees the work of the Safeguarding department in this respect. The Diocese of Hallam is committed to the promotion of a "one Church approach" to the safeguarding of children and adults at risk and the promotion of a culture of safeguarding throughout the Charity.
- **Ageing Clergy** - The number of clergy in the Diocese has decreased significantly in recent years, and the age profile of those in active ministry is rising. In addition, the number of priests who have retired from active ministry is increasing. The structure of parishes in each Deanery is under review and a policy and strategy to provide support for ageing clergy.
- **Education** - The Charity contributes to the education provided in the 47 Voluntary Aided and Catholic Voluntary Academy Schools in the Diocese (40 Primary Schools, 6 Secondary, 1 3-16 School). One of the risks identified is the potential underperformance of diocesan schools. The Schools Department monitors the performance of all schools and provides support where necessary. Overall, the number of schools judged by Ofsted as "Good" has increased. Schools that are judged "Required Improvement" or are at risk of under performance receive support from other schools in the Diocese as well as from diocesan officers and consultants. On behalf of the Bishop, the Schools Department retains canonical oversight of diocesan schools in maintaining Catholic ethos and undertakes the Section 48 Inspections.

The Bishop has expressed his wish that in due course all schools join one of the two diocesan Multi-Academy Trusts. The Diocesan Board of Education meets regularly to help facilitate the Bishop's vision for the two Catholic Multi academy trusts across the diocese. The Board meet to support the Bishop and the schools in a wide range of matters and comprises of The Bishop, Episcopal Vicar for Schools, officers of the Schools' Department and the Director of Finance. The CEOs of St Clare's and St Francis CMATs are in attendance as non-voting members.

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ANNUAL REPORT (Continued) Year Ended 31st December 2023

- **Financial** - Although the financial position of the Charity is stable, financing the current level of expenditure is an identified risk at a time when income from investments (e.g. interest) is limited and there is pressure on voluntary donations (in the form of Parish Offerings due to the cost of living crisis). In common with most other Catholic dioceses in England & Wales, Mass attendance has fallen over time. In light of this, expenditure continues to be reviewed, particularly in terms of Parish Property Repairs.
- **Governance** – As with other dioceses, the structure of the diocese is such that the administration of parishes (in civil law) is undertaken by parish priests under the delegated authority of the Trustee. Their activities, however, remain the responsibility of the Trustee. Systems and controls are in place to monitor these activities, particularly in relation to statutory and regulatory compliance including Employment, Safeguarding, Health & Safety, Property Maintenance and Finance.

CONNECTED CHARITIES

The Diocese encompasses 47 Catholic schools. Two Multi Academy Trusts were formed in 2022 – St. Clare Catholic Multi Academy Trust and St. Francis Catholic Multi Academy Trust. Both of the Multi Academy Trusts, and each of the schools are exempt charities under the Charities Act 2011, and their activities are not reflected in the financial statements. The Bishop of Hallam appoints Foundation Governors/Directors to the Governing Bodies of Catholic Schools/Academy Trusts, and Foundation Governors/Directors form a majority on each body, but the Multi Academy Trusts and schools are not branches of the Diocese. The addresses of the Catholic Schools in the Diocese are detailed on the diocesan website. The Bishop of Hallam, the Directors of Schools and Diocese of Hallam Trustee are Members of Diocese of Hallam Schools' Partnership (Company Registration Number 08099518). Diocese of Hallam Trustee is also Trustee of St. Michael's Roman Catholic Church and Presbytery, Hathersage.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

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

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

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed dated 28th October 1981 (as varied 20th July 2006). The Trustee is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Finance Board of Diocese of Hallam Trustee on 16th October 2024 and signed as authorised by:-

E.J. Whittaker
Secretary and Director of Finance

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST**

Opinion

We have audited the financial statements of the Roman Catholic Diocese of Hallam Trust for the year ended 31 December 2023 as detailed on pages 13 to 32, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with the 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. 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 consistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the charity; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

Responsibilities of the Trustee for the financial statements

As explained more fully in the Trustee's Responsibilities Statement set out on page 9, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

In accordance with ISAs (UK) we exercise professional judgment and maintain professional scepticism throughout the audit.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Extent to which the audit was considered capable of detecting irregularities including fraud

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements and looking how fraud may occur by enquiring with management as to its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of the discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of material adjusting journals and key estimates and judgements by management.

We gained an understanding of legal and regularity framework applicable to the charity and the sector in which it operates, drawing on our audit experience and knowledge of the charity and its sector, and considered the risk of acts by the charity that were contrary to these laws and regulations that could give rise to a material misstatement in the financial statements, including but not limited to:-

The Charities Act 2011
Charities (Accounts and Reports) Regulations 2008
Guidance issued by the Charity Commission for England & Wales
UK Health & Safety legislation
UK employment legislation

We also made enquiries with the Trustee with regards to compliance with the above laws and regulations and obtained any necessary evidence to corroborate the information provided, for example minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising

We have identified revenue recognition, management override and completeness of related party transactions as key audit matters relating to irregularities, including fraud.

We have evaluated the Trustee and its management's incentives for fraudulent manipulation of the financial statements, including the risk of management overriding controls, and identified that the principal risks relate to management bias in accounting estimates and judgmental areas of the financial statements such as revenue recognition.

The following audit work was undertaken in response to the risks identified:

- Enquiry of management, those charged with governance, and the charity's solicitors around actual and potential litigation and claims
- Enquiry of management to identify any instances of non-compliance with laws and regulations
- Reviewing minutes of meetings of those charged with governance.
- Reviewing key sources of estimation uncertainty testing to supporting documentation, ensuring reasonableness of assumptions and consistently applied.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of significant transactions outside the normal course of the charity's operations.
- Identifying related parties and ensuring transactions are complete and testing to available supporting documentation.
- Reviewing key income sources for completeness and ensuring cut-off has been acceptably applied.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Other matters which we are required to address

The financial statements for the year ended 31st December 2022 were prepared by Warrens GBS Limited, the charity's predecessors auditor. The predecessor auditors issued an unqualified audit report on the financial statements on the 22nd January 2024.

Use of our report

This report is made solely to the charity's trustee, Diocese of Hallam Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustee, as a body, for our audit work, for this report, or for the opinions we have formed.

Warrens Accountants Limited
Statutory Auditor
33 Thorne Road,
Doncaster. DN1 2HD

Date: 11th December 2024

Warrens Accountants Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES : For the Year Ended 31st December 2023

| | PARISHES | | | CURIA | | | 2022 TOTAL £ |
|--|-------------------|------------------|------------------|-------------------|------------------|------------------|--------------------|
| | Unrestricted £ | Restricted £ | Total £ | Unrestricted £ | Restricted £ | Total £ | |
| INCOME FROM: | | | | | | | |
| Donations & Legacies | | | | | | | |
| Collections and Donations | 2,547,304 | - | 2,547,304 | 184,917 | 15,550 | 200,467 | 2,643,368 |
| Legacies | 525,244 | - | 525,244 | 33,402 | - | 33,402 | 307,154 |
| Grants | 10,458 | - | 10,458 | 105,270 | - | 105,270 | 201,590 |
| Charitable Activities | | | | | | | |
| Income from Charitable Activities | 93,562 | - | 93,562 | 1,067,344 | 18,852 | 1,086,196 | 941,767 |
| Other Trading Activities | | | | | | | |
| Fundraising - Events | 109,655 | - | 109,655 | 1,977 | - | 1,977 | 92,007 |
| Lettings | 243,215 | - | 243,215 | 14,872 | 1,750 | 16,622 | 193,042 |
| Investment Income | | | | | | | |
| Rental Income from Investment Properties | 343,159 | - | 343,159 | - | - | - | 399,429 |
| Other Investment Income | 2,000 | 2,938 | 4,938 | 148,142 | 22,681 | 170,823 | 95,968 |
| Other Income | | | | | | | |
| Gain on disposal of Fixed Assets | 37,332 | - | 37,332 | - | - | - | - |
| TOTAL | 3,911,929 | 2,938 | 3,914,867 | 1,555,924 | 58,833 | 1,614,757 | 4,874,325 |
| EXPENDITURE ON: | | | | | | | |
| Raising Funds | | | | | | | |
| Charitable Activities | 96,283 | - | 96,283 | 33,398 | 6,349 | 39,747 | 200,685 |
| TOTAL | 3,306,122 | 160,654 | 3,466,776 | 2,276,667 | 303,775 | 2,580,442 | 5,415,684 |
| Net Gains/(Losses) on investments | (600) | 8,633 | 8,033 | 122,679 | (5,321) | 117,358 | 646,841 |
| NET INCOME/(EXPENDITURE) | 605,207 | (149,083) | 456,124 | (598,064) | (250,263) | (848,327) | 105,482 |

STATEMENT OF FINANCIAL ACTIVITIES : For the Year Ended 31st December 2023

| | PARISHES | | | CURIA | | | 2023 TOTAL £ | 2022 TOTAL £ |
|--------------------------------------|-------------------|------------------|-------------------|-------------------|------------------|------------------|--------------------|--------------------|
| | Unrestricted £ | Restricted £ | Total £ | Unrestricted £ | Restricted £ | Total £ | | |
| NET INCOME/(EXPENDITURE) B/F | 605,207 | (149,083) | 456,124 | (598,064) | (250,263) | (848,327) | (392,203) | 105,482 |
| Transfers between Funds: | | | | | | | | |
| Parish Assessments | (573,284) | (13,172) | (586,456) | 586,456 | - | 586,456 | - | - |
| Other Transfers | (9,176) | - | (9,176) | (39,213) | 48,389 | 9,176 | - | - |
| NET MOVEMENT IN FUNDS | 22,747 | (162,255) | (139,508) | (50,821) | (201,874) | (252,695) | (392,203) | 105,482 |
| Fund Balances brought forward | 20,568,822 | 6,050,530 | 26,619,352 | 6,191,230 | 1,672,868 | 7,864,098 | 34,483,450 | 34,377,968 |
| Fund Balances carried forward | 20,591,569 | 5,888,275 | 26,479,844 | 6,140,409 | 1,470,994 | 7,611,403 | 34,091,247 | 34,483,450 |

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DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

BALANCE SHEET AS AT 31st DECEMBER 2023

| | Note | 2023 | | | 2022 | | |
|--------------------------------------|-------------|-----------------|--------------|--------------|-----------------|--------------|--------------|
| | | Parishes | Curia | Total | Parishes | Curia | Total |
| | | £ | £ | £ | £ | £ | £ |
| FIXED ASSETS | | | | | | | |
| Tangible Fixed Assets | 12 | 16,410,646 | 4,046,032 | 20,456,678 | 16,810,232 | 3,891,413 | 20,701,645 |
| Investments | 13 | 4,396,232 | 3,844,077 | 8,240,309 | 4,460,412 | 3,748,501 | 8,208,913 |
| | | 20,806,878 | 7,890,109 | 28,696,987 | 21,270,644 | 7,639,914 | 28,910,558 |
| CURRENT ASSETS | | | | | | | |
| Debtors | 14 | 156,186 | 882,673 | 1,038,859 | 110,619 | 1,269,283 | 1,379,902 |
| Cash at Bank & on Deposit | | 1,680,001 | 3,720,986 | 5,400,987 | 1,687,801 | 3,656,940 | 5,344,741 |
| | | 1,836,187 | 4,603,659 | 6,439,846 | 1,798,420 | 4,926,223 | 6,724,643 |
| LIABILITIES: | | | | | | | |
| Amounts falling due within one year | 15 | (143,237) | (902,349) | (1,045,586) | (55,192) | (1,096,559) | (1,151,751) |
| NET CURRENT ASSETS | | 1,692,950 | 3,701,310 | 5,394,260 | 1,743,228 | 3,829,664 | 5,572,892 |
| PARISH LOAN ACCOUNTS | | | | | | | |
| Loans to Parishes | | (2,510,034) | 2,510,034 | - | (2,616,069) | 2,616,069 | - |
| Parish Deposits | | 6,490,050 | (6,490,050) | - | 6,221,549 | (6,221,549) | - |
| TOTAL NET ASSETS | | 26,479,844 | 7,611,403 | 34,091,247 | 26,619,352 | 7,864,098 | 34,483,450 |
| REPRESENTED BY INCOME FUNDS:- | | | | | | | |
| Restricted Funds | 16 | 5,888,275 | 1,470,994 | 7,359,269 | 6,050,530 | 1,672,868 | 7,723,398 |
| Unrestricted Funds | | | | | | | |
| Designated Funds | 17 | 12,568,872 | 3,188,413 | 15,757,285 | 12,839,061 | 2,991,872 | 15,830,933 |
| Other Unrestricted Funds | 17 | 8,022,697 | 2,951,996 | 10,974,693 | 7,729,761 | 3,199,358 | 10,929,119 |
| | 18 | 26,479,844 | 7,611,403 | 34,091,247 | 26,619,352 | 7,864,098 | 34,483,450 |

The financial statements on pages 13 to 32 were approved by the Finance Board of Diocese of Hallam Trustee, as sole Trustee on 16th October 2024 and signed on its behalf by:-

The Right Reverend Ralph Heskett, C.Ss.R.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

CASH FLOW STATEMENT

For the Year Ended 31st December 2023

| | | 2023 | | 2022 |
|---|-------------|-------------------------|-----------|-------------------------|
| | £ | £ | £ | £ |
| Net Cash (outflow)/inflow from operating activities (Note a) | | 319,850 | | (219,033) |
| Investing activities | | | | |
| Dividends and interest received | 173,994 | | 91,968 | |
| Purchase of tangible fixed assets | (568,925) | | (248,468) | |
| Purchase of investments | (1,457,474) | | (350,536) | |
| Proceeds from sale of fixed assets | 37,332 | | - | |
| Proceeds from sale of investments | 1,551,469 | | 372,528 | |
| Net cash inflow (outflows) from investing activities | | <u>(263,604)</u> | | <u>(134,508)</u> |
| Increase/(Decrease) in cash | | <u>56,246</u> | | <u>(353,541)</u> |
| | | | | |
| <u>Reconciliation of Net Cash flow to movements in net funds</u> | | | | |
| Increase/(Decrease) in cash in the period | | 56,246 | | (353,541) |
| Cash Funds at 1 st January 2023 | | <u>5,344,741</u> | | <u>5,698,282</u> |
| Cash Funds at 31 st December 2023 | | <u><u>5,400,987</u></u> | | <u><u>5,344,741</u></u> |

The charity has no disclosable debt, and consequently the cash at bank and in hand, is also the net debt/funds reconciliation.

Notes to the Cash flow Statement

| | | | | |
|--|-----------|------------------|------------------|------------------|
| a) Reconciliation of net (outgoing)/incoming resources to net cash inflow/(outflow) from operating activities:- | | 2023 | | 2022 |
| | | £ | | £ |
| Net incoming/ (outgoing) resources | (392,203) | | 105,482 | |
| Dividends & interest received | (175,761) | | (91,968) | |
| Depreciation | 813,892 | | 808,713 | |
| Decrease/(Increase) in Debtors | 342,810 | | (773,747) | |
| (Decrease)/Increase in Creditors | (106,165) | | 379,328 | |
| Profit on disposal of fixed assets | 37,332 | | - | |
| Net (Gains)/Losses on Investments | (125,391) | | (646,841) | |
| | | <u>319,850</u> | | <u>(219,033)</u> |
| | | | | |
| b) Changes in cash and cash equivalents | | 2023 | 2022 | Change in year |
| | | £ | £ | £ |
| Cash at Bank and Short Term Deposits | | <u>5,400,987</u> | <u>5,344,741</u> | <u>56,246</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

1 The financial statements principally reflect the incoming resources and application of resources of the main charity, Roman Catholic Diocese of Hallam Trust and include Parishes, Diocesan Agencies, and Diocesan Organisations. The financial statements also reflect a number of small individual parish trusts and separately registered diocesan charities, which are under the control of Diocese of Hallam Trustee, including the J.J. Eyre Funds and St. Charles Charity (Charity Registration No. 1049619).

2 **Accounting policies**

2.1 **Basis of preparation**

The financial statements have been prepared in accordance with the accounting policies set out below and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102).

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments and are presented in sterling, which is also the functional currency of the charity.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs) except for those financial assets classified as at fair value through the Statement of Financial Activities, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when, and only when, a) the contractual rights to the cash flows from the financial asset expire or are settled, or b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method. Debtors classified as recoverable within one year are not amortised.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

Creditors

Creditors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method. Creditors payable within one year are not amortised.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires the Trustee to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise.

Significant judgements

In the course of preparing the financial statements, the following significant judgements have been made in the process of applying the charity's accounting policies:-

- assessing the probability of the receipt of legacy income;
- assessing the appropriateness of the assumptions and methodology used in determining the fair value of investment properties;
- determining the value of the designated funds needed at the year end to meet specific future expenditure;

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and by their nature, will rarely equal the related actual outcome. The charity does not have any key assumptions concerning the future, or other key sources of estimation uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Notwithstanding this, the charity is required to make estimates as detailed below:

- estimating the accrued expenditure including employees' accrued holiday pay;
- estimating the useful economic life of tangible fixed assets to determine a depreciation charge;
- estimating the cost of the functional fixed assets, including property, that were held at 31st December 1996;

Assessment of Going Concern

The Trustee considers that there are no material uncertainties about the trust's ability to continue as a going concern.

Income

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations

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 by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the Balance Sheet as deferred income to be released.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

2.2 Fund Accounting

Diocesan activities fall into two categories:

- Parishes - transactions relating to individual Parishes within the Diocese.
- Curia - transactions concerning the Diocese as a whole.

The Funds of the charity are analysed into Restricted and Unrestricted Funds.

Restricted Funds represent amounts received for a specified purpose which had not been expended at the Balance Sheet date. Parish property subject to a Special Trust is also reflected in the Restricted Fund balances.

Unrestricted Funds represent amounts available for the general purposes of the charity. Within Unrestricted Funds, Designated Funds reflect the amounts set-aside for particular projects or purposes, but which may be spent for other general charitable purposes.

The Statement of Financial Activities details Parish and Curial incoming resources and resources expended, analysed between Unrestricted and Restricted Funds.

Parish Income is, under Canon Law, under the control and direction of the Parish Priest who exercises his ministry under the authority of the Bishop. Although the Finance Board of Diocese of Hallam Trustee has ultimate responsibility under civil law for these funds, the juridical person who holds Parish Funds is the Parish Priest, and these funds are unrestricted only in terms of their use within the individual parish.

2.3 Tangible Fixed Assets

Freehold and Leasehold Land and Buildings

(a) Functional Land and Buildings

Churches, Presbyteries, Church Halls, Offices, etc.

i) Freehold Land

Functional Land, (i.e. land used for the prime purpose of the Charity), is included in the financial statements at original cost, or where this is not available at an estimate of its historic cost (or in the case of donated land or land acquired at nil cost, at its fair value at the date of receipt). Freehold land is not depreciated because it has an indefinitely long useful life.

ii) Freehold Buildings

Functional Buildings (i.e. buildings used for the prime purpose of the Charity), which are still in use by the Charity are included in the financial statements at original cost, or in the case of buildings transferred at nil cost on the formation of the Diocese, at an estimate of their fair value at the date of acquisition. All new functional buildings, improvements and major renovations are capitalised at the cost of construction.

Buildings which were in use at 31st December 1996, and additions since that date, are depreciated at rates calculated to write off their estimated historic cost (less the estimated residual value) evenly over the whole of their useful life.

The estimate of the useful life of a building varies depending on the condition and future use of the building. However, in general it is expected that a building in a reasonable state of repair will continue in use without major renovations or improvements for the following period:

| | | |
|-----|-------------------------------|------------------|
| (a) | Unlisted Churches | 25 to 100 years |
| (b) | Cathedral and Listed Churches | 100 to 200 years |
| (c) | Presbyteries | 25 to 50 years |
| (d) | Other buildings | 10 to 75 years |

Depreciation rates are calculated using the age of the building and its expected useful life.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

Padley Martyrs Chapel, Grindleford, Derbyshire is not depreciated because it was built c.1400, is a Grade I listed building and is considered to have an extraordinary long life that cannot be determined. The charity does not recognise this heritage asset in its Balance Sheet as details of its cost and initial valuation are not held, given the nature of the asset and its longevity. The cost of obtaining a value is not commensurate with any benefit to the users of the accounts and given the religious nature of the asset it is extremely unlikely that the monetary value (from sale) will ever be recognised by the charity. The cost of obtaining a valuation has been considered by the charity and it believes it is not justified by the usefulness of the information to the users of the accounts.

iii) Leasehold Land and Buildings

Leasehold land and buildings are depreciated over the life of the lease on a straight-line basis.

Details and addresses of the Diocesan churches and other buildings (both freehold and leasehold) can be found in the Diocesan Year Book.

Voluntary Aided Schools & Catholic Voluntary Academies

i) Land

The charity owns the land on which its Voluntary Aided Schools are built, and the land occupied by Catholic Voluntary Academy Trusts and Catholic Multi Academy Trusts. Each Trust/school is an exempt charity under the Charities Act 2011 and occupies the land rent-free. The nature of the occupation of the land by these exempt charities means that the Diocese's Trustee does not have the power to dispose of the land until the school ceases its occupation, which in turn would require the approval of the Directors/Governors and the Secretary of State and may involve the recovery of grant-aid by the DfE. Consequently such land is not in direct use by the charity, does not generate any income, cannot be disposed of on the open market, and cannot be used for any other purpose during the schools' occupation. In view of these restrictions, the Trustee believes the recoverable amount of these assets is nil and they are included at nil valuation.

ii) Buildings

The School buildings are occupied, improved, extended and repaired by the School Governors/Academy Trusts. The nature of the occupation of the buildings by these exempt charities means that the Diocese's Trustee does not have the power to dispose of the buildings until the school ceases its occupation, which in turn would require the approval of the Governors and the Secretary of State and may involve the recovery of grant-aid by the DfE. Consequently such buildings are not in direct use by the charity, do not generate any income, cannot be disposed of on the open market, and cannot be used for any other purpose during the schools' occupation. In view of these restrictions, the Trustee believes the recoverable amount of these assets is nil and they are included at nil valuation.

The School Governors/Academy Trusts account for the building, improvement and repair costs of the schools and account for any grants received in respect of these costs. Grants made by the Diocese through the Diocesan Schools' Building Fund (or occasionally via parishes) to the Governors of Voluntary Aided Schools in order to assist them with their liability for school building costs are charged to the Statement of Financial Activities in the year of payment.

As at 31st December 2023 there were 28 Catholic Voluntary Academies (5 High schools and 23 Primary schools), together with 15 Voluntary Aided Catholic Primary Schools, 1 Voluntary Aided Joint Catholic and Church of England Primary School, 1 Voluntary Aided Catholic High School, 1 Joint Catholic & Church of England Academy primary school and 1 Joint Catholic and Church of England 3-16 Academy in occupation of land and buildings. The charity owns the freehold of 46 of these premises in their entirety, and the freehold and leasehold of one split-site High School. Further details of the Diocesan Voluntary Aided Schools and Catholic Voluntary Academies, are given on the Diocesan website.

(b) Investment Properties and Donated Property awaiting sale.

Investment Properties

Investment properties are shown at the Trustee's best estimate of market value. The majority of the Investment Properties were professionally valued as at 31st December 2022 and all are valued professionally at least every five years. The Investment Properties are spread across the Diocese, and consequently the revaluation was carried out, principally by Commercial Property Rotherham Ltd with other local valuers being used for some investment properties. The Finance Board of Diocese of Hallam Trustee annually reassesses the value of the investment property portfolio. Any change in value during the year is reported in the "Other Recognised Gains & Losses" section of the Statement of Financial Activities. Further details of the basis of the valuation are given in note 13 to these financial statements. Investment Properties are reflected at market value, therefore no charge for depreciation is made in the financial statements in accordance with accounting standards.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

Fixtures, Fittings and Equipment

Acquisitions with a cost (or fair value in the case of donated items) in excess of £5,000 are capitalised. They are depreciated at rates calculated to write off the cost, less the estimated residual value of each asset evenly over its expected useful life as follows:-

| | |
|--|----------------------|
| Fixtures and Fittings | 10 years |
| Office Equipment | 5 years |
| Computers | 3 years |
| General Equipment | 5 years |
| Church Fixtures & Fittings | 10 to 50 years |
| Presbytery Fixtures & Fittings | 5 to 10 years |
| Residential/Day Centre Furniture & Equipment | 4 to 10 years |
| Motor Vehicles | 20% Reducing Balance |

Works of Art and Historic Treasures

Individual Works of Art, Historic Treasures and Plate are not capitalised as they have extraordinary long lives and are worth preserving perpetually.

2.4 Investments

Investments are stated at their market value as at the Balance Sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

2.5 Foreign currency transactions

The financial statements are presented in Sterling, which is also the functional currency of the charity. Transactions in currencies other than the functional currency of the charity, are recorded at the rate of exchange at the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. All differences are taken to the relevant Support Costs element of the Statement of Financial Activities.

2.6 Pension costs

Contributions towards employee's personal pension schemes and a group personal pension scheme for employees are charged to the Statement of Financial Activities in the year in which they become payable. The Diocese is neither liable to finance any funding shortfall, nor entitled to benefit from any over-funding. During the year contributions were made for one employee to the Teachers' Pension Scheme ("the TPS"), an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Scheme Regulations 2015. The employer's contribution is set by the TPS. As at 31st December 2023 the rate was 23.68% (including a scheme administration levy). The TPS represents a collective scheme and it is not possible to separately identify the assets and liabilities attributable to a particular employer. The Diocese has neither a commitment to make good any actuarial deficit, nor an entitlement to benefit from any over funding. Retirement and other pension benefits are paid by public funds provided by Parliament.

2.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.8 Public Benefit

The charity operates for the public benefit, in accordance with the Charity Commission's guidance.

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(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

| 3. Grants | Parishes 2023 £ | Curia 2023 £ | Total 2023 £ | Total 2022 £ |
|--|--------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Government Grant: National Lottery | - | 26,100 | 26,100 | 45,000 |
| Government Grant: GBS Home Office | - | - | - | 3,141 |
| Other Grants | 10,458 | 79,170 | 89,628 | 153,449 |
| | <u>10,458</u> | <u>105,270</u> | <u>115,728</u> | <u>201,590</u> |
| 4 Income from Charitable Activities | Parishes 2023 £ | Curia 2023 £ | Total 2023 £ | Total 2022 £ |
| Repositories, Bookstalls & Sale of Newspapers | 31,855 | - | 31,855 | 30,610 |
| Chaplaincies | 12,858 | - | 12,858 | 20,723 |
| Other Parish charitable income | 48,849 | - | 48,849 | 57,849 |
| St. Wilfrid's Centre | - | 198,489 | 198,489 | 161,866 |
| St. Wilfrid's Place | - | 83,796 | 83,796 | 75,657 |
| Caritas Hallam | - | 204,273 | 204,273 | 157,663 |
| Schools' Department | - | 233,721 | 233,721 | 236,273 |
| Project Management and Administration | - | 105,380 | 105,380 | - |
| Finance Department | - | 4,713 | 4,713 | 2,220 |
| Formation & Mission | - | 1,825 | 1,825 | 1,730 |
| Pastoral Centre | - | 5,932 | 5,932 | 4,969 |
| Tribunal | - | 550 | 550 | 1,350 |
| Youth Ministry | - | 22,398 | 22,398 | 2,758 |
| National Schools' Singing Programme | - | 5,000 | 5,000 | - |
| St. Vincent's MissionHub | - | 4,886 | 4,886 | 2,994 |
| Lourdes Pilgrimage | - | 214,645 | 214,645 | 183,742 |
| Walsingham Pilgrimage | - | 588 | 588 | 1,363 |
| | <u>93,562</u> | <u>1,086,196</u> | <u>1,179,758</u> | <u>941,767</u> |
| 5. Other Investment Income | Parishes 2023 £ | Curia 2023 £ | Total 2023 £ | Total 2022 £ |
| Interest on cash deposits | 2,027 | 75,010 | 77,037 | 5,055 |
| Listed Investment income and other investment income | 2,911 | 95,813 | 98,724 | 86,913 |
| Member's Award - Inter-Diocesan Fuel Management Ltd | - | - | - | 4,000 |
| | <u>4,938</u> | <u>170,823</u> | <u>175,761</u> | <u>95,968</u> |
| 6. Expenditure on Raising Funds | Parishes 2023 £ | Curia 2023 £ | Total 2023 £ | Total 2022 £ |
| Fund-raising costs | 20,464 | 11,509 | 31,973 | 29,775 |
| Bank Charges | 34,600 | 2,162 | 36,762 | 32,315 |
| Investment Management Costs | - | 26,076 | 26,076 | 28,432 |
| Investment Property Management & Expenses | 41,219 | - | 41,219 | 110,163 |
| | <u>96,283</u> | <u>39,747</u> | <u>136,030</u> | <u>200,685</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

7. Charitable Activities

| <u>Parishes</u> | Direct Costs £ | Support Costs £ | Total 2023 £ | Total 2022 £ |
|--|----------------------|-----------------------|--------------------|--------------------|
| Church Altar & Liturgy | 120,831 | - | 120,831 | 108,719 |
| Parish general running costs | 1,215,603 | - | 1,215,603 | 813,776 |
| Property repairs and maintenance | 633,430 | - | 633,430 | 584,644 |
| Clergy costs including travel expenses | 380,469 | - | 380,469 | 387,218 |
| Staff Costs | 241,962 | - | 241,962 | 227,466 |
| Depreciation | 683,314 | - | 683,314 | 684,832 |
| Repository, Bookstall & Newspaper expenses | 32,457 | - | 32,457 | 26,424 |
| Grants to Schools | - | - | - | 2,000 |
| Payments to Religious Orders re Parish Sisters | 17,106 | - | 17,106 | 17,106 |
| Professional fees | - | 5,472 | 5,472 | 3,960 |
| Other Donations & Grants | 39,849 | - | 39,849 | 59,050 |
| | <u>3,365,021</u> | <u>5,472</u> | <u>3,370,493</u> | <u>2,915,195</u> |

| <u>Curia</u> | Direct Costs £ | Support Costs £ | Total 2023 £ | Total 2022 £ |
|---|----------------------|-----------------------|--------------------|--------------------|
| Bishop of Hallam's Office & Mensa | 87,977 | - | 87,977 | 78,682 |
| General Diocesan Expenditure | 30,614 | 597 | 31,211 | 30,469 |
| Camino Grant | - | - | - | 4,715 |
| Safeguarding | 91,267 | - | 91,267 | 85,861 |
| MissionHub & University Chaplaincies | 64,467 | - | 64,467 | 59,801 |
| Hallam Pastoral Centre | 17,601 | - | 17,601 | 16,263 |
| Schools' Department | 279,772 | - | 279,772 | 294,334 |
| Formation & Mission | 51,914 | - | 51,914 | 47,645 |
| CMAT Setup costs | 140,835 | - | 140,835 | - |
| Property Department | 58,318 | - | 58,318 | 60,526 |
| Health & Safety | 15,288 | - | 15,288 | 15,236 |
| Tribunal | 39,444 | - | 39,444 | 38,564 |
| Youth Ministry | 84,154 | - | 84,154 | 51,573 |
| Finance Department | - | 94,483 | 94,483 | 90,513 |
| Communication | 8,042 | - | 8,042 | 12,344 |
| Clergy Formation & Training | 53,442 | - | 53,442 | 78,312 |
| Clergy Conference & Clergy Support | 33,396 | - | 33,396 | 15,237 |
| Sick & Retired Clergy | 166,514 | - | 166,514 | 200,998 |
| National Levies | 59,706 | - | 59,706 | 56,300 |
| Grants to Schools (Diocesan Schools' Building Fund) | 7,062 | - | 7,062 | 12,717 |
| Caritas Hallam | 307,002 | 5,280 | 312,282 | 281,641 |
| Padley Chapel | 3,878 | - | 3,878 | 3,784 |
| St Wilfrid's Centre | 425,448 | 10,621 | 436,069 | 428,259 |
| St Wilfrid's Place | 59,637 | 474 | 60,111 | 62,743 |
| Burghwallis Hall (former St Anne's Rest Home) | 3,615 | - | 3,615 | 4,563 |
| Pilgrimages | 260,382 | - | 260,382 | 212,645 |
| Professional fees | - | 62,358 | 62,358 | 55,961 |
| National Schools' Singing Programme | 17,107 | - | 17,107 | 118 |
| | <u>2,366,882</u> | <u>173,813</u> | <u>2,540,695</u> | <u>2,299,804</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

8 Allocated Support Costs

| | Parishes 2023 £ | Curia 2023 £ | Total 2023 £ | Total 2022 £ |
|--|-----------------------|--------------------|--------------------|--------------------|
| Finance Department & Trustee meeting costs | - | 95,080 | 95,080 | 90,919 |
| Governance - Legal & Other Professional Fees | 5,472 | 6,660 | 12,132 | 7,380 |
| Audit | - | 16,470 | 16,470 | 15,072 |
| Accountancy | - | 55,603 | 55,603 | 54,328 |
| | <u>5,472</u> | <u>173,813</u> | <u>179,285</u> | <u>167,699</u> |

9 Staff Costs

| | Total 2023 £ | Total 2022 £ |
|-----------------------|--------------------|--------------------|
| Salaries | 1,289,868 | 1,160,390 |
| Social Security Costs | 88,591 | 85,051 |
| Pension Costs | 64,229 | 62,791 |
| | <u>1,442,688</u> | <u>1,308,232</u> |

Average number of employees:-

| | 2023 | 2022 |
|-------------------------------------|------------|------------|
| <i>Direct Charitable activities</i> | | |
| Parishes | 53 | 54 |
| Curia | | |
| Diocesan Departments & Agencies | 20 | 20 |
| Diocesan Organisations | 34 | 29 |
| | <u>107</u> | <u>103</u> |

The number of employees whose emoluments fell within the following band was:-

| | 2023 | 2022 |
|-------------------|----------|----------|
| £60,001 - £70,000 | - | - |
| £70,001 - £80,000 | 1 | 2 |
| | <u>1</u> | <u>2</u> |

During the year, pension contributions for the above amounted to £10,361 (2022: £30,037).

The cost of Key management personnel (salary, employer's national insurance and employer's pension contributions) was £223,864 (2022: £230,076).

Clergy are not included within the above as they are Office Holders and not employees of the Charity. Payments to Clergy amounted to £452,307 (2022: £459,613). Payments to Religious Orders for Parish Sisters amounted to £17,106 (2022: £17,106).

In addition to employees, the Charity has a number of unpaid volunteers who help in the parishes and in Diocesan Organisations.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

10 Trustees (Finance Board Members) Information

The sole Trustee of the Roman Catholic Diocese of Hallam Trust is a Trust Corporation, Diocese of Hallam Trustee. The directors of Diocese of Hallam Trustee are known as Members of the Finance Board and are Trustees in law. None of the Members of the Finance Board received remuneration for their role as Trustees. Four Members of the Finance Board who served during the year are Roman Catholic Priests of the Diocese, and were housed and remunerated within their parishes. To assist him in the performance of his duties, the Bishop is provided with a house, and his expenses in carrying out his office are met from Curial Funds. The total remuneration received by the Clergy Trustees through their ecclesiastical Office (and not through their position as trustees) was £38,315 (2022: £40,204).

None of the Members of the Finance Board received any reimbursement of expenses arising from their position as Trustees.

11 Indemnity Insurance

Charitable Trustee Indemnity Insurance for £5 million cover was incorporated in the overall public liability and buildings insurance arrangements made for the charity.

12 Tangible Fixed Assets

| | Freehold Land and Buildings £ | Leasehold Land and Buildings £ | Fixtures, Fittings, and Equipment £ | Motor Vehicles £ | Total £ |
|---------------------------------------|---|--|---|------------------------|-------------------|
| Cost/Fair value at acquisition | | | | | |
| As at 1st January 2023 | 40,421,977 | 1,089,033 | 2,132,566 | 33,985 | 43,677,561 |
| Additions | 563,405 | - | 5,520 | - | 568,925 |
| As at 31st December 2023 | <u>40,985,382</u> | <u>1,089,033</u> | <u>2,138,086</u> | <u>33,985</u> | <u>44,246,486</u> |
| Depreciation | | | | | |
| As at 1st January 2023 | 20,827,816 | 654,374 | 1,466,538 | 27,188 | 22,975,916 |
| Charge for the Year | 739,393 | 8,443 | 59,259 | 6,797 | 813,892 |
| As at 31st December 2023 | <u>21,567,209</u> | <u>662,817</u> | <u>1,525,797</u> | <u>33,985</u> | <u>23,789,808</u> |
| Net Book Value | | | | | |
| As at 31st December 2023 | <u>19,418,173</u> | <u>426,216</u> | <u>612,289</u> | <u>-</u> | <u>20,456,678</u> |
| As at 31st December 2022 | <u>19,594,161</u> | <u>434,659</u> | <u>666,028</u> | <u>6,797</u> | <u>20,701,645</u> |

Net Book Value as at 31st December 2023 represents fixed assets used for:-

| | | |
|-----------------|-------------|----------------------|
| Parish purposes | £16,410,646 | (2022 : £16,810,232) |
| Curial purposes | £4,046,032 | (2022 : £ 3,891,413) |

Land and buildings occupied by the diocese's two Multi Academy Trusts, Catholic Voluntary Academies and Voluntary Aided Schools are not capitalised because they are considered to be of nil value (see accounting policy note 2.3a for further details).

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

13 Fixed Asset Investments

| | 2023 | 2022 |
|--|-------------------------|-------------------------|
| | £ | £ |
| (a) Listed Investments | | |
| Market Value 1st January 2023 | 3,510,124 | 4,165,137 |
| Acquisitions | 1,572,855 | 231,178 |
| Disposals at Opening Value (Note I) | (1,493,091) | (424,192) |
| Net unrealised investment gains/(losses) | 139,826 | (461,999) |
| | <u>3,729,714</u> | <u>3,510,124</u> |
| (b) Unlisted Investments | | |
| The Catholic National Mutual Limited | 4,000 | 4,000 |
| Inter-Diocesan Fuel Management Limited | 4,000 | 4,000 |
| | <u>8,000</u> | <u>8,000</u> |
| (c) National Savings Deposits & Bonds | | |
| Market Value at 1st January 2023 | 99,000 | 99,000 |
| Market Value at 31st December 2023 | <u>99,000</u> | <u>99,000</u> |
| (d) Cash deposits – pending reinvestment | | |
| Stockbroker's deposit accounts | <u>51,645</u> | <u>167,026</u> |
| (e) Investment Properties | | |
| Market Value at 1st January 2023 | 4,424,763 | 3,230,450 |
| Transfer from Functional Fixed Assets | - | 33,809 |
| Disposals at Opening Value (Note II) | (72,813) | - |
| Net gain/(loss) on revaluation | - | 1,160,504 |
| | <u>4,351,950</u> | <u>4,424,763</u> |
| TOTAL FIXED ASSET INVESTMENTS | <u>8,240,309</u> | <u>8,208,913</u> |

\ Continued on Page 27

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

13 Fixed Asset Investments (Continued)

| | 2023 | 2022 |
|----------------------|-----------|---------|
| | £ | £ |
| Note (I) | | |
| Proceeds | 1,479,256 | 372,528 |
| Realised (Gain)/Loss | 13,835 | 51,664 |
| | 1,493,091 | 424,192 |
| | 1,493,091 | 424,192 |
| | | |
| | 2023 | 2022 |
| | £ | £ |
| Note (II) | | |
| Proceeds | 72,213 | - |
| Realised (Gain)/Loss | 600 | - |
| | 72,813 | - |
| | 72,813 | - |

Market Value at 31st December 2023 represented investments held for:-

| | | |
|-----------------|------------|--------------------|
| Parish purposes | £4,396,232 | (2022: £4,460,412) |
| Curial purposes | £3,844,077 | (2022: £3,748,501) |

The historical cost of listed investments is £3,195,713 (2022: £2,925,420).

The unlisted investment in The Catholic National Mutual Limited can only be disposed of *at par*, and the historical cost of that investment is £4,000.

The unlisted investment in Inter-Fuel Management Ltd was acquired on 31st March 2022 at a value of £4,000 and can only be disposed of *at par*.

Investment Properties are based at the Trustee's best estimate of fair value at the Balance Sheet date.

The Investment Properties were acquired at nil cost on formation of the Diocese in 1980 and on the subsequent transfer of one parish from a separate trustee. The majority of the investment properties were revalued professionally as at 31st December 2022 at open market value by Commercial Property Rotherham Ltd. The remainder of the investment properties were revalued as at 31st December 2022 by other valuers, local to their location.

All investment properties are situated in the UK.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

14 Debtors

| | 2023 | 2022 |
|--|------------------|------------------|
| | £ | £ |
| Amounts falling due within one year | | |
| Accrued Interest receivable | 3,192 | 1,425 |
| Gift Aid Tax recoverable | 35,519 | 20,136 |
| Other Debtors | 869,197 | 1,232,406 |
| Prepayments | 117,645 | 108,421 |
| Pastoral Loans | 13,306 | 17,514 |
| | <u>1,038,859</u> | <u>1,379,902</u> |

The Pastoral Loans made are to priests, interest free and repayable on demand.

Other Debtors includes £489,815 (2022: £843,968) set-up costs met on behalf of the two diocesan Multi Academy Trusts established during 2022. Whilst still repayable on demand, this will be reimbursed over the coming years, as the Trusts grow.

All debtors are repayable within one year.

15 Liabilities: Amounts falling due within one year

| | 2023 | 2022 |
|---|------------------|------------------|
| | £ | £ |
| Sundry Creditors | 152,869 | 155,885 |
| D/E LCVAP funding held for Diocesan Voluntary Aided Schools | 762,310 | 881,715 |
| PAYE Creditor | 5,257 | 83 |
| Third Party Collections | 41,357 | 29,287 |
| Accruals | 83,793 | 84,781 |
| | <u>1,045,586</u> | <u>1,151,751</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

16 Restricted Funds

| | Balance 1.1.23 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.23 £ |
|---------------------------------------|------------------------|---------------|------------------|----------------|---------------------------------------|--------------------------|
| <u>Parish Funds</u> | | | | | | |
| Parish Restricted Property | 5,451,171 | - | (129,397) | - | - | 5,321,774 |
| J.J. Eyre Fund (St Vincent's) | 30,510 | 1,092 | (1,120) | - | 3,334 | 33,816 |
| J.J. Eyre Fund (St Marie's) | 48,242 | 1,846 | - | - | 5,299 | 55,387 |
| Other Restricted Parish Funds | 520,607 | - | (30,137) | (13,172) | - | 477,298 |
| <u>Curial Funds</u> | | | | | | |
| Sick & Retired Clergy Fund | 151,355 | 24,816 | (170,947) | 5,507 | (2,904) | 7,827 |
| Priests' Training Fund | - | 14,893 | (55,358) | 42,882 | (2,417) | - |
| Foundation Masses Fund | 22,518 | 272 | (272) | - | - | 22,518 |
| Diocesan Schools' Building Fund | 58,834 | - | (7,062) | - | - | 51,772 |
| National Singing Programme Fund | 24,882 | 5,000 | (17,107) | - | - | 12,775 |
| Lourdes Pilgrimage : Restricted Fund | 1,500 | - | - | - | - | 1,500 |
| St. Wilfrid's Centre Restricted Funds | 11,060 | 13,852 | (21,149) | - | - | 3,763 |
| St. Wilfrid's Place Restricted Fund | 1,402,719 | - | (31,880) | - | - | 1,370,839 |
| | <u>7,723,398</u> | <u>61,771</u> | <u>(464,429)</u> | <u>35,217</u> | <u>3,312</u> | <u>7,359,269</u> |

- (a) Parish Restricted Property Fund - This Fund represents the Parish property that is subject to a Special Trust, at its net book value at the Balance Sheet date.
- (b) Other Restricted Parish Funds – This Fund predominantly represents funds arising from the disposal of Solly Street by St Vincent's Parish, which are to be used only for the benefit of that parish.
- (c) St Wilfrid's Place Restricted Fund – This Fund represents the amounts received in respect of a project in Sheffield to provide supported housing, for adults, which had not been expended at the Balance Sheet date.
- (d) Sick & Retired Clergy Fund - This Fund represents the amounts received to meet the costs involved in the assistance of sick and retired Clergy of the Diocese, which had not been expended at the Balance Sheet date.
- (e) Diocesan Schools' Building Fund' Training Fund - This Fund represents the amounts received by this Fund to enable grants to be made to diocesan Voluntary Aided Schools to assist them in financing the Governors' 10% liability for building improvements and repairs of school buildings.

17 Unrestricted Funds

| | Balance 1.1.23 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains (Losses) £ | Balance 31.12.23 £ |
|--------------------------------|------------------------|------------------|--------------------|------------------|--------------------------------------|--------------------------|
| <u>Parish Funds</u> | | | | | | |
| General Fund | 7,729,761 | 3,911,929 | (2,752,205) | (866,188) | (600) | 8,022,697 |
| Designated Funds | | | | | | |
| Parishes Fund for Fixed Assets | 12,839,061 | - | (553,917) | 283,728 | - | 12,568,872 |
| | <u>20,568,822</u> | <u>3,911,929</u> | <u>(3,306,122)</u> | <u>(582,460)</u> | <u>(600)</u> | <u>20,591,569</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

17 Unrestricted Funds (Continued)

| | Balance 1.1.23 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.23 £ |
|------------------------------|------------------------|------------------|--------------------|----------------|---------------------------------------|--------------------------|
| <i>Curial Funds</i> | | | | | | |
| General Funds | 3,199,358 | 652,986 | (1,279,397) | 268,046 | 111,003 | 2,951,996 |
| Designated Funds | | | | | | |
| Curial Fund for Fixed Assets | 1,697,071 | 11,250 | (55,104) | 285,197 | - | 1,938,414 |
| Needy Parishes Fund | 27,085 | 2,682 | - | (6,000) | - | 23,767 |
| Caritas Hallam Fund | 259,257 | 306,551 | (313,878) | - | 11,676 | 263,606 |
| St. Wilfrid's Centre Funds | 391,374 | 355,988 | (426,779) | 40,000 | - | 360,583 |
| St. Wilfrid's Place Fund | 560,975 | 83,796 | (28,231) | (40,000) | - | 576,540 |
| Lourdes Pilgrimage Fund | 52,431 | 142,046 | (172,157) | - | - | 22,320 |
| Walsingham Pilgrimage Fund | 3,679 | 625 | (1,121) | - | - | 3,183 |
| | <u>6,191,230</u> | <u>1,555,924</u> | <u>(2,276,667)</u> | <u>547,243</u> | <u>122,679</u> | <u>6,140,409</u> |

(a) Parish Fund for Fixed Assets - This Fund comprises the amount of the net book value of fixed assets for Parish use at the balance sheet date.

(b) Curial Fund for Fixed Assets - This Fund comprises the amount of the net book value of fixed assets for general Diocesan use at the balance sheet date.

(c) Caritas Hallam Fund – This Fund represents the amount designated for the activities of Caritas Hallam.

(d) St Wilfrid's Centre Funds – This represents funds designated for the operation of St Wilfrid's Centre.

(e) St Wilfrid's Place Fund – This Fund represents the amount designated in respect of a project in Sheffield providing supported housing, for adults, which had not been expended at the Balance Sheet date.

18 Analysis of Net Assets Between Funds

| | Unrestricted Funds 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ |
|---|------------------------------------|----------------------------------|-----------------------------|
| Fund Balances at 31st December 2023 | 26,731,978 | 7,359,269 | 34,091,247 |
| Represented by:- | | | |
| Tangible Fixed Assets | 15,179,164 | 5,277,514 | 20,456,678 |
| Investments | 6,707,027 | 1,533,282 | 8,240,309 |
| Current Assets | 6,357,792 | 82,054 | 6,439,846 |
| Inter-fund offset | (467,926) | 467,926 | - |
| Liabilities : Amounts falling due within one year | (1,044,079) | (1,507) | (1,045,586) |
| Total Net Assets | <u>26,731,978</u> | <u>7,359,269</u> | <u>34,091,247</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

19 Detailed Analysis of Net Assets Between Funds

| PARISHES | Tangible Fixed Assets | Investments | Net Assets | Inter-Fund Loans | TOTAL |
|---|----------------------------------|--------------------|-----------------------|-----------------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Restricted Funds | | | | | |
| Parish Restricted Property Fund | 3,841,774 | 1,480,000 | - | - | 5,321,774 |
| J.J. Eyre Fund (St Vincent's) | - | 16,761 | 18,055 | (1,000) | 33,816 |
| J.J. Eyre Fund (St. Marie's) | - | 27,521 | 27,866 | - | 55,387 |
| Other Restricted Parish Funds | - | - | 8,372 | 468,926 | 477,298 |
| Unrestricted Funds | | | | | |
| <i>Designated</i> | | | | | |
| Parishes Fund for Fixed Assets | 12,568,872 | - | - | - | 12,568,872 |
| <i>Other Unrestricted Funds</i> | | | | | |
| General Reserves | - | 2,871,950 | 1,638,657 | 3,512,090 | 8,022,697 |
| | 16,410,646 | 4,396,232 | 1,692,950 | 3,980,016 | 26,479,844 |
| CURIA | | | | | |
| Restricted Funds | Tangible Fixed Assets | Investments | Net Assets | Inter-Fund Loans | TOTAL |
| | £ | £ | £ | £ | £ |
| Sick & Retired Clergy Fund | 63,401 | - | (55,574) | - | 7,827 |
| Priests' Training Fund | - | - | - | - | - |
| Foundation Masses Fund | - | 9,000 | 13,518 | - | 22,518 |
| Diocesan Schools' Building Fund | - | - | 51,772 | - | 51,772 |
| National Singing Programme Fund | - | - | 12,775 | - | 12,775 |
| St. Wilfrid's Centre: Restricted Grants | 1,500 | - | 2,263 | - | 3,763 |
| St. Wilfrid's Place Restricted | 1,370,839 | - | - | - | 1,370,839 |
| Lourdes Pilgrimage: Sick Child Fund | - | - | 1,500 | - | 1,500 |
| | 1,435,740 | 9,000 | 26,254 | - | 1,470,994 |
| Unrestricted Funds | | | | | |
| <i>Designated</i> | | | | | |
| Curial Fund for Fixed Assets | 1,977,180 | - | - | (38,766) | 1,938,414 |
| Needy Parishes Fund | - | - | 23,767 | - | 23,767 |
| Caritas Hallam Fund | - | 230,564 | 33,042 | - | 263,606 |
| St. Wilfrid's Centre Funds | 239,784 | - | 171,196 | (50,397) | 360,583 |
| St. Wilfrid's Place Fund | 393,328 | - | 132,815 | 50,397 | 576,540 |
| Lourdes Pilgrimage Fund | - | - | 25,051 | (2,731) | 22,320 |
| Walsingham Pilgrimage Fund | - | - | 3,183 | - | 3,183 |
| <i>Other Unrestricted Funds</i> | | | | | |
| General Reserves | - | 3,604,513 | 3,286,002 | (3,938,519) | 2,951,996 |
| | 4,046,032 | 3,844,077 | 3,701,310 | (3,980,016) | 7,611,403 |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2023

20 Third Party Collections

Third Party collections are taken in Churches with the permission of the Charity but the funds are not under the control of the Charity and are excluded from the Statement of Financial Activities.

21 Entitlement to Future Legacies

Legacies are recognised when there is entitlement, certainty of receipt, and the legacy can be measured. The charity considers that entitlement is when estate accounts are settled/there is notification of a distribution.

22 Connected Charities and Related Party Transactions

The Bishop of Hallam appoints Foundation Directors of Catholic Voluntary Academies and the two diocesan Multi Academy Trusts and Foundation Governors to the Governing Bodies of Diocesan Schools. Foundation Directors/Governors form a majority in each Trust/school. The addresses of Diocesan Schools are detailed on the Diocesan website. Grants made by the charity to Voluntary Aided schools for building and repair costs, through the Diocesan Schools Building Fund amounted to £6,940 (2022: £12,717). One grant was made to a school by a parishes during the year of £Nil (2022: £2,000). At 31st December 2023 the charity held funds amounting to £762,310 (2022:£881,715) representing DfE grant money held for Diocesan VA Schools. The corresponding creditor is shown in Note 15.

Diocese of Hallam Trustee is also Trustee of St. Michael's Roman Catholic Church and Presbytery, Hathersage, a separate charity.

There are no disclosable related party transactions.

23 Financial Instruments

The charity had the following financial instruments:

| | 2023 £ | 2022 £ |
|---|------------------|------------------|
| Financial assets at fair value through Statement of Financial Activities: | | |
| Fixed asset investments – Equity investments and deposits | 3,888,359 | 3,784,150 |
| Financial assets that are debt instruments measured at amortised cost: | | |
| Debtors | 921,214 | 1,271,481 |
| Financial liabilities measured at amortised cost: | | |
| Creditors | 1,045,586 | 1,151,751 |
| | <u>1,045,586</u> | <u>1,151,751</u> |

24 Commitments

| | 2023 £ | 2022 £ |
|---|---------------|----------------|
| <i>Authorised:-</i> | | |
| Parish Expenditure | 33,971 | 296,645 |
| Curial Expenditure | - | - |
| Grants to Schools | - | 431 |
| | <u>33,971</u> | <u>278,645</u> |
| Included in amounts authorised are net amounts contracted for : | <u>33,971</u> | <u>278,645</u> |

ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

England & Wales - Charity number 512021

Accounts

DIOCESE OF HALLAM

**Roman Catholic Diocese of Hallam Trust
(Registered Charity No. 512021)**

**ANNUAL REPORT
AND FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2022**

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

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DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

Legal & Administrative Details

Legal Status

The Roman Catholic Diocese of Hallam Trust is a charitable trust, established by a Trust Deed dated 28th October 1981. The Charity Registration number is 512021. The charity is registered with the H.M. Revenue & Customs for tax exemption purposes under reference XN57643A.

The Trust is administered by a Trust Corporation, Diocese of Hallam Trustee, incorporated 26th October 1981 and whose Company Registration Number is 01593544. Diocese of Hallam Trustee is a Company Limited by Guarantee with a licence from the Secretary of State for Business, Innovation & Skills to dispense with the word Limited from its name.

As at 31st December 2022 there were 7 Members of the Finance Board of Diocese of Hallam Trustee.

Directors of Diocese of Hallam Trustee (who served during the year)
(Known as Members of the Finance Board)

Right Reverend Ralph Heskett, C.Ss.R.
Ms. C. Bailey, RN, BEM – Appointed 14th December 2022
Reverend D. Humphries - Resigned 3rd May 2022
Reverend Deacon CA..Kime - Resigned 7th December 2022
Mrs P. McGrath - Resigned 5th July 2022
Reverend P.D. McGuire
H.H. M.J. Murphy
Reverend C.M. Posluszny
Mrs A.M.. Ryalls
Reverend Monsignor D.M. Sexton, V.G.
Revered Dr. A.J. Strike – Appointed 8th March 2023

Secretary to the Finance Board of Diocese of Hallam Trustee

E.J. Whittaker

Key Personnel:-

Finance Dept:- E.J. Whittaker Schools Dept:- P. Patterson (Primary) R. Sawyer (High Schools)

**Principal Address of Charity
& Registered Office of Trustee**

The Diocese of Hallam Pastoral Centre,
St. Charles Street,
Sheffield. S9 3WU

Principal Bankers

HSBC Bank plc,
Carmel House, 49 - 63 Fargate,
Sheffield. S1 2HD

Solicitors

Taylor & Emmet LLP,
20 Arundel Gate,
Sheffield. S1 2PP

Insurance Managers

Catholic Insurance Service Limited,
Suite 5, Oxford House, Oxford Road
Thame, Oxfordshire. OX9 2AH

Accountants

W.H. Prior
Chartered Certified Accountants
Railway Court,
Doncaster. DN4 5FB

Investment Managers

Investec Wealth and Investment Ltd,
Beech House,
61 Napier Street,
Sheffield. S11 8HA

Auditors

Warrens GBC Ltd
Chartered Certified Accountants & Statutory Auditor
33 Thorne Road,
Doncaster. DN1 2HD

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT

Year Ended 31st December 2022

The Trustee presents its Report and Financial Statements for the Year Ended 31st December 2022. The Statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – Charities SORP FRS102.

HISTORY AND ORGANISATION

The Roman Catholic Diocese of Hallam is a charitable trust, established by a Trust Deed dated 28th October 1981, amended by a deed of variation dated 20th July 2006. The Diocese of Hallam was formed on 30th May 1980 from the division of the Dioceses of Leeds and Nottingham. The Trust is a Registered Charity, registration number 512021 and its sole Trustee is Diocese of Hallam Trustee as detailed on Page 1. The objects of the charity are:-

'To advance the Roman Catholic Religion in the Hallam Diocese by such means being charitable as the Bishop of Hallam may think fit and proper and for the service and support whether in the Hallam Diocese or outside the Hallam Diocese by such means as aforesaid of charitable works and objects promoted by the Church'.

The Diocese of Hallam consists of 52 parishes in the county of South Yorkshire, parts of the High Peak and Chesterfield Districts of Derbyshire, and the district of Bassetlaw in Nottinghamshire. Mass attendance for 2022 averaged 7,818 (2021: 6,066)

STRUCTURE, GOVERNANCE & MANAGEMENT

The Roman Catholic Diocese of Hallam Trust is a charitable trust established by Trust Deed. The power of appointment of Trustees is vested in the Bishop of Hallam. The Charity is administered by the trust corporation Diocese of Hallam Trustee, a company limited by guarantee and not having share capital, registered under the Companies Acts (No. 01593544). The directors of Diocese of Hallam Trustee are known as Members of the Finance Board.

The sole trustee is the trust corporation Diocese of Hallam Trustee. The Bishop of Hallam appoints the Members of the Finance Board under article 31 of the Trust Corporation's Articles of Association. The Members of the Finance Board comprise clergy and laity and are appointed for their expertise. New Members of the Finance Board are provided with an information pack relating to the constitution, governance and operation of the charity, and ongoing training is provided to all Members. The Members of the Finance Board who served during the year, and as at the date of this Report are detailed on Page 1.

The Finance Board of Diocese of Hallam Trustee meets approximately every six weeks. The Board receives reports from senior officers and various committees, considers proposals for major expenditure and, under the leadership of the Bishop, sets the strategic direction of the charity.

The Schools' Department gives advice to Catholic, and joint Catholic and Church of England, schools in the Diocese. The Hallam Diocesan Schools Executive Committee meets regularly to consider academy conversion applications and the progress of schools. This Committee comprises of the Episcopal Vicar for Schools (Rev. P. McGuire), officers of the Schools' Department, the Director of Finance, the Diocesan Property Manager and the Bishop. The Diocesan Building Committee normally meets one week before each Finance Board meeting. That committee monitors property matters in more depth and reports to the Finance Board with their recommendations. It holds delegated responsibility for building projects below £40,000. Rev. Deacon C. Kime, and Rev. C. Posluszny represented the Finance Board on the Diocesan Building Committee, and the Director of Finance and Diocesan Property Manager are in attendance.

The Investment Sub-Committee of the Finance Board of Diocese of Hallam Trustee monitors performance and sets benchmarks for the investment managers. The Sub-Committee consists of at least one member of the Finance Board and throughout 2022 this Committee comprised of the Bishop, Mr. S. Hanlon, Rev. M. McManus, and the Director of Finance. The Diocesan Health & Safety Sub-Committee met regularly in 2022.

Diocesan Organisations operate under the supervision of a Member of the Finance Board, as Executive of Diocese of Hallam Trustee, or a senior member of staff, operating under delegation, who reports to the Finance Board.

Following the Elliott Review, the Trustee's Safeguarding Sub-Committee was formed to replace the Diocesan Safeguarding Commission in 2022. The Trustee's Safeguarding Sub-Committee meets several times a year and presents regular reports to the Bishop and Finance Board. The Sub-Committee seeks to implement National and Diocesan Policies, Guidelines and Procedures on the care and protection of children and vulnerable adults and works closely with the Catholic Safeguarding Standards Agency (CSSA), Local Safeguarding Representatives in each parish, safeguarding representatives in diocesan organisations, and relevant statutory bodies.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2022

Parish Priests administer the financial affairs of the Parishes, and act as agents of Diocese of Hallam Trustee. They are assisted by a Parish Finance Committee who offer advice and support. In parishes, and in Diocesan organisations, the Charity relies on the generous support of a large number of volunteers who offer their time and skills freely.

PUBLIC BENEFIT

The celebration of Mass is central to the Roman Catholic faith, and this is the main use of the 60 Churches operated by the charity. Whilst Sunday is the principal day of worship, many of our churches are open each day and are accessible to all. Every week the parish community comes together to celebrate the mystery of our faith - the death and resurrection of Our Lord Jesus Christ. People gather in prayer and praise of God, and to seek God's help and forgiveness. Anyone is welcome to attend services, or just to take a moment in a sacred space for peace and stillness in order to pray and there is no question of any fee or charge.

We also celebrate the sacraments, primarily within each parish community. Many of these are linked to the milestones in people's lives. At Baptism an individual becomes part of the body of Christ, and part of the Church. From their First Communion they are able to take part fully in the Eucharist. Confirmation affirms them in their faith and normally takes place at adolescence. In Marriage the individual forms a covenant with their partner. The Anointing of the Sick, and the Sacrament of Reconciliation are the two sacraments of healing, and through Holy Orders ordination as a priest or deacon is conferred.

The parish priests and clergy guide each parish community, under the authority of the Bishop, who is our shepherd and teacher. Many parish buildings are also used for social events and activities that benefit the wider community.

Through Diocesan Agencies a wide range of services are supported by the Diocese. For example, the Diocesan Schools' Department assists the work of the Voluntary Aided Catholic, and Catholic Voluntary Academy, schools in the Diocese, through training, guidance and advice to headteachers and governors. This includes the development and monitoring of religious education, the Section 48 inspection of schools, advising on the appointment of senior staff and succession planning, planning of school places and the maintenance and provision of school buildings. The department works closely with the four councils and two county councils that cover the Diocese and the Governors of Voluntary Aided Schools, and the Directors of the Academy Trusts. Through the Diocesan Schools' Building Fund, grants are made to Voluntary Aided governing bodies towards the capital cost of school buildings. Each school is an exempt charity, and maintained schools and Catholic Voluntary Academies provide education free of charge. Whilst these schools are not part of the charity, the Diocese plays a key role in supporting them and this has an enormous impact on all their pupils, regardless of whether or not they have any religious affiliation.

Diocesan Organisations, such as St. Wilfrid's Centre, provide a further opportunity for the Church to reach out to the wider community. St. Wilfrid's Centre gives practical help and support to homeless and vulnerable people who experience the burden of social exclusion. Most of its clients are affected by homelessness, poverty, mental health needs, addiction, extreme isolation and institutionalisation. It welcomes all, without distinction of race, national origin, sex, sexual orientation, political, religious or other opinions. Projects such as this are one way in which the Diocese tries to meet Christ's commandment to "*Love your neighbour as yourself*".

The Members of the Finance Board confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

ACHIEVEMENTS & PERFORMANCE

The primary area that the Charity seeks to fulfil its objectives is through its 52 parishes. They do not exist as independent congregations, and it is the parishes together with diocesan agencies and organisations that together make up the charity. As a result of pastoral work and preparations in these parishes in 2022 there were 644 baptisms, 34 receptions into the Church, 82 marriages and 479 funerals. There were also 727 children receiving their First Communion and 213 Confirmations.

Assisted by a grant from the National Lottery, Caritas Hallam expanded the counselling services offered, particularly in diocesan schools. This work is particularly important as a result of the impact of the pandemic on the mental health of young people. The "Home from Home" Caritas Hallam project to support a refugee family under the government's Community Sponsorship Programme commenced in 2022.

On 4th and 5th October 2022, the relics of St. Bernadette came to the Diocese, as part of a nationwide visit. In total, over 2,500 participated in the liturgies and veneration of the relics at the Cathedral Church of St. Marie and St. Peter-in-Chains, Doncaster, including over 700 students from our schools.

Youth Ministry continued to develop at pace with ongoing contact with all the High Schools of the Diocese and offers of support into the parishes. The foundation of a Youth Leadership Team has been laid, upon which the events for 2022 and following years will depend. Planning for World Youth Day in Portugal was in full swing in 2022 with activities to recruit pilgrims.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2022

Activities that take place outside of the parishes are defined as "Curial". These consist of Diocesan Agencies and Diocesan Organisations who work alongside parishes in fulfilling the objects of the Charity and the mission of the Church.

Diocesan Agencies work under the direct supervision of the Bishop and Finance Board to meet specific pastoral, administrative or liturgical needs identified by the Bishop. Budgets are set and they are encouraged to generate income wherever feasible, and such income is detailed in Note 4 of the financial statements. The net cost of Diocesan Agencies is met initially by income from Diocesan investments and the balance is "assessed" on the Parishes through the "Parish Assessment".

Diocesan Agencies and other expenditure funded by assessment include:-

- Bishop of Hallam's Office
- Schools' Department
- Mission & Formation
- Property Management Department
- Young Adults Ministry & University Chaplaincies (University of Sheffield & Sheffield Hallam University)
- Finance Department
- Tribunal
- Youth Ministry
- Safeguarding
- Hallam Pastoral Centre
- National Levies – CaTEW Bishops' Conference of England & Wales, CES, etc.
- Professional fees
- Diocesan Grants
- Historic Churches Committee & Diocesan Archivist

Diocesan Organisations are not financed through Parish Assessments, and are self-financing, although a number of these projects rely on the generosity of Parishes and parishioners. Their gross income is detailed in Note 4. The income and expenditure of these projects forms a substantial part of "Curial" activities. They include:-

- Caritas Hallam – Children & Family Support, Pastoral Care for Deaf People, and Carmel Care
- St. Wilfrid's Centre – a project supporting homeless and vulnerable people
- St. Wilfrid's Place - providing short-term residential accommodation to vulnerable people
- Diocesan Pilgrimage to Lourdes
- Diocesan Pilgrimage to Walsingham
- Diocesan Pilgrimage to Padley
- Youth activities
- Justice & Peace Commission

Across all the diocese of England & Wales the variously named Caring Services have adopted a standardised title of Caritas. Caritas works alongside other diocesan Caritas bodies and with the Caritas organisation worldwide. The work undertaken by Caritas Hallam expanded further in 2022 to meet the growing demand for mental health and counselling services following the pandemic.

FINANCIAL REVIEW

PARISH ACTIVITIES

Parish Offertory Collections (excluding Gift Aid) amounted to £1,707,908 compared to £1,597,298 in 2021, an increase of 7%. The average giving per person for 2022 by reference to attendance is calculated at £4.20 (£5.06 per week 2021). Parish collections and other voluntary income represented 70% of total gross parish income (2021: 73%). Gift Aid tax recoverable from H.M. Revenue & Customs totalled £328,271 in 2022 (2021: £265,744), an increase of 24%, following a reduction of 5% in 2021 and 16% in 2020.

Parishes received legacies of £265,171 in 2022 (2021: £214,039). The use of parish halls and other functional property in the year increased, following quite limited use in 2021 due to Covid-19. Income from functional property was £180,244 an increase of 61% following a decrease of 11% in 2021 and 59% in 2020. The income from parish investment properties increased by 26% in 2022 - £399,429 compared to £317,491. However, the cost of repairs and management of those investment properties increased to £110,163 in 2022 compared to £34,011 in 2021.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2022

The cost of parish property repairs continued to be a significant area of parish expenditure, but reduced by 24% with a cost of £584,644 in 2022 (2021: £773,004).

Invoices for major improvements and new buildings are paid centrally by the Diocese, and charged to the appropriate parish's "Parish Ledger" account with the Diocese. Expenditure on new buildings and major expenditure that is considered to extend the life of existing properties is capitalised and depreciated. Similarly, assets with a cost of over £2,500 are capitalised and depreciated over their estimated useful lives. All legal fees and agents' costs are added to the costs of the asset.

Major projects in 2022 included:-

- ❑ **Our Lady Queen of Peace , Chesterfield**– Plans to re-order the Parish Centre at the Church of the Annunciation were approved in 2022 and were in progress as at 31st December 2022 with a value of £207,990. Work will be completed in 2023 with an anticipated total cost of £496,595.
- ❑ **Cathedral Church of St. Marie** – major repairs to the roof and lift overhaul were carried out at a cost of £43,533
- ❑ **St. William's Sheffield** – Work to replace the kitchen and other associated expenditure was carried out to the value of £21,810.
- ❑ **St. Bede's, Rotherham** – A boiler was replaced in 2022 at a cost of £11,580.

Before unrealised gains on investments, Parish Assessments and other transfers the Parishes cumulatively resulted in a surplus of £470,832 (2021 £76,245 deficit). Changes in the value of parish investment during the year increased Parish Funds by £1,164,757 making the net surplus before internal transfers £1,635,589 (2021: £36,603 deficit). Parish Assessments of £553,260 (a 2% increase on the £542,410 Assessment in 2021), and other internal transfers, reduced this to an overall net increase of Parish funds of £1,072,227 (2021: net decrease of £600,267).

Total Parish funds carried forward at 31st December 2022 amounted to £26,619,352 of which £16,810,232 was tied-up in functional property and other fixed assets in everyday use by parishes for charitable purposes.

CURIAL ACTIVITIES

Total Curial income increased by 2% in 2022. Grant income decreased by 20%. This reduction is entirely represented by the Government CJRS grant received in 2021 but did was not available in 2022. Income from Charitable Activities increased by 41%. Of this, 31% of the increase is attributable to the recommencement of the diocesan pilgrimages to Lourdes, and Walsingham, which did not take place in 2020 or 2021. Most of the remainder of the increase (8%) is due to the increased counselling activity by Caritas Hallam in 2022.

Expenditure on Raising Funds was lower in 2022, compared to the previous year (a reduction of 14%). Investment Management costs of £28,432 were 9% lower than 2021.

There was a net Curial deficit after expenditure and transfers, of £966,745 compared to a net surplus in 2021 of £239,045.

Total Curial funds carried forward as at 31st December 2022 amounted to £7,864,098, of which £3,891,413 is reflected in tangible fixed assets.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2022

SUMMARY

The summary below gives an indication of the financial activities of the Diocese.

| <u>Parishes</u> | 2022 £ | 2021 £ |
|--|------------------|------------------|
| Income | 3,549,146 | 3,076,217 |
| <u>Deduct:</u> Expenditure | (3,078,314) | (3,152,462) |
| Investment Gains/(Losses) | <u>1,164,757</u> | <u>39,642</u> |
| Surplus/(Deficit) before Parish Assessment | 1,635,589 | (36,603) |
| | | |
| Parish Assessment and other transfers | <u>(563,362)</u> | <u>(563,664)</u> |
| Increase/(Decrease) in reserves | <u>1,072,227</u> | <u>(600,267)</u> |
| | | |
| <u>Curia</u> | | |
| Parish Assessment and other transfers | 563,362 | 563,664 |
| Other income | <u>1,325,179</u> | <u>1,299,360</u> |
| Total income | 1,888,541 | 1,863,024 |
| <u>Deduct:</u> Expenditure | (2,337,370) | (2,008,696) |
| Investment Gains/(Losses) | <u>(517,916)</u> | <u>384,717</u> |
| (Decrease)/Increase in reserves | <u>(966,745)</u> | <u>239,045</u> |

GOING CONCERN

The Charity's activities, together with the factors likely to affect its future development, principal risks and uncertainties facing the Charity and its availability of unencumbered cash reserves are set out in this Annual Report. Its financial position in terms of the year's results, its assets and liabilities, and movement in cash are set out in the principal financial statements on pages 13 to 16. The Trustees have considered the charity's operations for the next 12 months, as required. The charity has sufficient financial resources, mainly in the form of cash, investments, and property, to meet its obligations. There are no material uncertainties about the Charity's ability to continue as a going concern and it is well placed to manage the various risks identified. The Trustee therefore has a reasonable expectation that the Charity has adequate resources to continue its operations for the foreseeable future. Accordingly the going concern basis continues to be adopted in the preparation of the Annual Report and Accounts.

RESERVES

The Finance Board considers that unrestricted reserves equivalent to two years' charitable expenditure for both Parish and Curial reserves are required. In addition to recurring expenditure the Finance Board acknowledges that, in some areas, income is difficult to sustain, and has identified a number of long-term funding requirements including improvement and repair of functional property, clergy retirement and training and formation for which some funds have been designated.

The total Parish Funds at 31st December 2022 amounted to £26,619,352 of which £6,050,530 are restricted and £12,839,061 designated funds

The majority of Parish Funds (£16,810,232) are represented by the functional properties (Churches, Halls, Presbyteries) and other fixed assets, which are integral to the operation of the Charity. The free Parish reserves of £7,729,761 represent around 30 months' Parish expenditure, which is above the 24 months' reserves considered to be required for parishes because of the long-term nature of their operations. This is an increase over the 26 months' held in 2021 and is largely due to the unrealised gain on the revaluation of investment properties which provide an income for the parishes that hold them.

Contracted commitments for amounts contracted for totalled £278,645 at the Year End (2021:£16,826).

The total Curial funds as at 31st December 2022 amounted to £7,864,098 of which £1,672,868 is restricted for specific purposes. Of the remaining £6,191,230 unrestricted curial funds, £2,141,311, reflected the value of functional property and other fixed assets. The general reserves of £4,049,919 represent just under 21 months' Curial expenditure which is less than the 24 months' reserves considered to be required because of the long-term nature of the charity's operations. The Finance Board acknowledges that Curial funds held are below the charity's reserve levels and continues to take action to address this.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2022

INVESTMENT POLICY & PERFORMANCE

Under the trust deed of the Charity, the Trustee may invest, with the consent of the Bishop of Hallam, any money in any manner authorised by law (i.e. the Trustee Act 2000). In 2022 the investment portfolios continued to be managed on a discretionary basis by the investment managers, Investec Wealth and Investment Ltd. The portfolios are managed in line with the ethical investment policy of the Trustees, which is consistent with Church teaching and the Catholic faith. As a result of the market conditions in 2022, the performance of all of the funds was negative during the year. The performance of the main portfolio and two of the funds showed a poorer return than the benchmark, whilst the Priests' Training Fund performed better than the benchmark.

| | Total Return | Total Return Benchmark |
|----------------------------|-------------------------|-----------------------------------|
| | % | % |
| Main Portfolio | -10.62 | -7.07 |
| Caritas Hallam Fund | -8.99 | -7.07 |
| Sick & Retired Clergy Fund | -10.56 | -7.07 |
| Priests' Training Fund | -8.44 | -11.00 |

RISK ASSESSMENT

The Finance Board has assessed the major risks to which the Charity is exposed, in particular those related to the operation, investment and finances of the Trust. By monitoring the level of reserves, ensuring control over financial systems and by examining the operational risks faced by the Charity, the Finance Board believes that effective systems have been established to mitigate those risks.

FUND-RAISING

The charity undertakes small scale fund-raising, and applications to charitable trusts for grants. Most fund-raising builds on the connection people have with the Church through their parish and there are no direct appeals by telephone or mailshot to individuals. The charity does not engage professional fund-raisers but does have a part time employee who deals with applications to charitable trusts for grants.

PLANS FOR FUTURE PERIODS

The diocese volunteered to be a pilot audit under the newly created Catholic Safeguarding Standards Agency. The outcome of the pilot audit highlighted some exceptional practice and rated the Diocese as making "early progress". The audit report was accepted in full and the recommendations will be the immediate focus for the Trustees to improve our systems.

The Trustees have been approved to join the National School Singing Programme. Initial grant monies will be matched by a diocesan commitment to promote singing in our primary schools. A suitably qualified professional will be recruited in 2023 to deliver the programme.

The Diocese will continue to support the Catholic Multi Academy Trust plans and hope that more of the schools of the Diocese will join either St Clare's or St Francis CMATs.

THIRD PARTY COLLECTIONS

Parishes in the Diocese supported a wide range of charities by allowing, and often organising, Third Party Collections. However, since these funds are not under the control of Diocese of Hallam Trustee, these collections are not included in the results and balances of the Charity. Balances held at 31st December 2022 for third party charities are included in Creditors.

GRANTS

Curial and Parish grants paid out in 2022 included:-

| | |
|--|---------|
| Catholic Trust for England & Wales (CaTEW) | £24,926 |
| Catholic Education Service (CES) | £17,370 |
| Catholic Safeguarding Standards Authority (CSSA) | £12,504 |
| Holy Family Manenberg, South Africa | £10,034 |
| St. Anthony's, Langa, South Africa | £5,017 |

The grants made are all in furtherance of the Charity's objects.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2022

KEY MANAGEMENT PERSONNEL

The key management personnel of the Diocese comprises the Director of Finance and the Directors of Schools (Primary and Secondary). Remuneration for key management personnel is set by the Salaries Sub-Committee, taking into consideration the market rates for similar roles and is periodically reviewed in order to recognise and reward outstanding performance.

RISK MANAGEMENT

The Trustee has overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. The Audit Sub-Committee review, annually, the risks facing the charity which can be categorised into broad headings including (1) Safeguarding (2) Ageing Clergy (3) Education (4) Financial (5) Governance.

- **Safeguarding** - Being loved and being kept safe go to the very core of the Church's ministry. The safeguarding of children and adults at risk is of paramount importance to the Diocese. Failing to prevent abuse of the vulnerable has serious repercussions for the individual, the mission of the Church and the Diocese. To mitigate this risk the Diocese follows the policies and procedures put in place by the Catholic Safeguarding Standards Authority (CSSA) which are enforced by the Safeguarding department. The department promotes a safe recruitment policy and provides training across the diocese to reinforce safeguarding procedures. They also respond to any allegation, past or present, of inappropriate behaviour or actual abuse by any member or person working for the Charity, paid or unpaid, liaising with the police and other statutory authorities. The Safeguarding Sub-Committee oversees the work of the Safeguarding department in this respect. The Diocese of Hallam is committed to the promotion of a "one Church approach" to the safeguarding of children and adults at risk and the promotion of a culture of safeguarding throughout the Charity.
- **Ageing Clergy** - The number of clergy in the Diocese has decreased significantly in recent years, and the age profile of those in active ministry is rising. In addition, the number of priests who have retired from active ministry is increasing. The structure of parishes in each Deanery is under review and a policy and strategy to provide support for ageing clergy.
- **Education** - The Charity contributes to the education provided in the 47 Voluntary Aided and Catholic Voluntary Academy Schools in the Diocese (40 Primary Schools, 6 Secondary, 1 3-16 School). One of the risks identified is the potential underperformance of diocesan schools. The Schools Department monitors the performance of all schools and provides support where necessary. Overall, the number of schools judged by Ofsted as "Good" has increased. Schools that are judged "Required Improvement" or are at risk of under performance receive support from other schools in the Diocese as well as from diocesan officers and consultants. On behalf of the Bishop, the Schools Department retains canonical oversight of diocesan schools in maintaining Catholic ethos and undertakes the Section 48 Inspections.

The Catholic Multi Academy Trust (CMAT) Development Group established by Trustees oversaw the work of building the structures necessary for ensuring all schools in the diocese can join a CMAT. Two Multi-Academy Trusts were established in 2022. The Bishop has expressed his wish that in due course all schools join one of these two diocesan Multi-Academy Trusts.

- **Financial** - Although the financial position of the Charity is stable, financing the current level of expenditure is an identified risk at a time when income from investments (e.g. interest) is limited and there is pressure on voluntary donations (in the form of Parish Offertories due to the cost of living crisis). In common with most other Catholic dioceses in England & Wales, Mass attendance is falling. In light of this, expenditure continues to be reviewed, particularly in terms of Parish Property Repairs.
- **Governance** - As with other dioceses, the structure of the diocese is such that the administration of parishes (in civil law) is undertaken by parish priests under the delegated authority of the Trustee. Their activities, however, remain the responsibility of the Trustee. Systems and controls are in place to monitor these activities, particularly in relation to statutory and regulatory compliance including Employment, Safeguarding, Health & Safety, Property Maintenance and Finance.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2022

CONNECTED CHARITIES

The Diocese encompasses 47 Catholic schools. Two Multi Academy Trusts were formed in 2022 – St. Clare Catholic Multi Academy Trust and St. Francis Catholic Multi Academy Trust. Both of the Multi Academy Trusts, and each of the schools are exempt charities under the Charities Act 2011, and their activities are not reflected in the financial statements. The Bishop of Hallam appoints Foundation Governors/Directors to the Governing Bodies of Catholic Schools/Academy Trusts, and Foundation Governors/Directors form a majority on each body, but the Multi Academy Trusts and schools are not branches of the Diocese. The addresses of the Catholic Schools in the Diocese are detailed on the diocesan website. The Bishop of Hallam, the Directors of Schools and Diocese of Hallam Trustee are Members of Diocese of Hallam Schools' Partnership (Company Registration Number 08099518). Diocese of Hallam Trustee is also Trustee of St. Michael's Roman Catholic Church and Presbytery, Hathersage.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

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

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

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed dated 28th October 1981 (as varied 20th July 2006). The Trustee is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Finance Board of Diocese of Hallam Trustee on 25th October 2023 and signed as authorised by:-



E.J. Whittaker
Secretary and Director of Finance

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST**

Opinion

We have audited the financial statements of the Roman Catholic Diocese of Hallam Trust for the year ended 31 December 2022 as detailed on pages 13 to 32, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with the 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. 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 consistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the charity; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

Responsibilities of the Trustee for the financial statements

As explained more fully in the Trustee's Responsibilities Statement set out on page 9, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Extent to which the audit was considered capable of detecting irregularities including fraud

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements and looking how fraud may occur by enquiring with management as to its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of the discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of material adjusting journals and key estimates and judgements by management.

We gained an understanding of legal and regularity framework applicable to the charity and the sector in which it operates, drawing on our audit experience and knowledge of the charity and its sector, and considered the risk of acts by the charity that were contrary to these laws and regulations that could give rise to a material misstatement in the financial statements, including but not limited to:-

The Charities Act 2011

Charities (Accounts and Reports) Regulations 2008

Guidance issued by the Charity Commission for England & Wales

UK Health & Safety legislation

UK employment legislation

We also made enquiries with the Trustee with regards to compliance with the above laws and regulations and obtained any necessary evidence to corroborate the information provided, for example minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising

We have identified revenue recognition, management override and completeness of related party transactions as key audit matters relating to irregularities, including fraud.

We have evaluated the Trustee and its management's incentives for fraudulent manipulation of the financial statements, including the risk of management overriding controls, and identified that the principal risks relate to management bias in accounting estimates and judgmental areas of the financial statements such as revenue recognition.

The following audit work was undertaken in response to the risks identified:

- Enquiry of management, those charged with governance, and the charity's solicitors around actual and potential litigation and claims
- Enquiry of management to identify any instances of non-compliance with laws and regulations
- Reviewing minutes of meetings of those charged with governance.
- Reviewing key sources of estimation uncertainty testing to supporting documentation, ensuring reasonableness of assumptions and consistently applied.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of significant transactions outside the normal course of the charity's operations.
- Identifying related parties and ensuring transactions are complete and testing to available supporting documentation.
- Reviewing key income sources for completeness and ensuring cut-off has been acceptably applied.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the charity's trustee, Diocese of Hallam Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustee, as a body, for our audit work, for this report, or for the opinions we have formed.



Warrens GBC Ltd
Statutory Auditor
33 Thorne Road,
Doncaster. DN1 2HD

Date: 22nd January 2024

Warrens GBC Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES : For the Year Ended 31st December 2022

| Note | PARISHES | | | CURIA | | | 2021 |
|--|------------------|----------------|------------------|--------------------|------------------|--------------------|------------------|
| | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total | TOTAL |
| | £ | £ | £ | £ | £ | £ | £ |
| INCOME FROM: | | | | | | | |
| Donations & Legacies | | | | | | | |
| | 2,476,337 | | 2,476,337 | 158,907 | 8,124 | 167,031 | 2,643,368 |
| | 265,171 | - | 265,171 | 41,983 | - | 41,983 | 307,154 |
| 3 | 16,253 | 10,400 | 26,653 | 154,989 | 19,948 | 174,937 | 270,405 |
| Charitable Activities | | | | | | | |
| | 109,182 | - | 109,182 | 824,192 | 8,393 | 832,585 | 941,767 |
| Other Trading Activities | | | | | | | |
| | 90,028 | - | 90,028 | 1,979 | - | 1,979 | 92,007 |
| | 180,244 | - | 180,244 | 8,598 | 4,200 | 12,798 | 193,042 |
| Investment Income | | | | | | | |
| | 399,429 | - | 399,429 | - | - | - | 399,429 |
| 5 | 606 | 1,496 | 2,102 | 68,669 | 25,197 | 93,866 | 95,968 |
| | - | - | - | - | - | - | 116,477 |
| TOTAL | 3,537,250 | 11,896 | 3,549,146 | 1,259,317 | 65,862 | 1,325,179 | 4,874,325 |
| EXPENDITURE ON: | | | | | | | |
| Raising Funds | | | | | | | |
| | 163,119 | - | 163,119 | 30,513 | 7,053 | 37,566 | 200,685 |
| 7 | 2,774,268 | 140,927 | 2,915,195 | 1,917,454 | 382,350 | 2,299,804 | 5,214,999 |
| TOTAL | 2,937,387 | 140,927 | 3,078,314 | 1,947,967 | 389,403 | 2,337,370 | 5,415,684 |
| Net Gains/(Losses) on investments | | | | | | | |
| | 467,313 | 697,444 | 1,164,757 | (386,447) | (131,469) | (517,916) | 646,841 |
| NET INCOME/(EXPENDITURE) | 1,067,176 | 568,413 | 1,635,589 | (1,075,097) | (455,010) | (1,530,107) | 105,482 |
| | | | | | | | (361,222) |

STATEMENT OF FINANCIAL ACTIVITIES : For the Year Ended 31st December 2022

| | PARISHES | | | CURIA | | | 2021 TOTAL £ |
|--------------------------------------|-------------------|------------------|-------------------|-------------------|------------------|------------------|--------------------|
| | Unrestricted £ | Restricted £ | Total £ | Unrestricted £ | Restricted £ | Total £ | |
| NET INCOME/(EXPENDITURE) B/F | 1,067,176 | 568,413 | 1,635,589 | (1,075,097) | (455,010) | (1,530,107) | (361,222) |
| Transfers between Funds: | | | | | | | |
| Parish Assessments | (540,834) | (12,426) | (553,260) | 553,260 | - | 553,260 | - |
| Other Transfers | (10,102) | - | (10,102) | (101,613) | 111,715 | 10,102 | - |
| NET MOVEMENT IN FUNDS | 516,240 | 555,987 | 1,072,227 | (623,450) | (343,295) | (966,745) | (361,222) |
| Fund Balances brought forward | 20,052,582 | 5,494,543 | 25,547,125 | 6,814,680 | 2,016,163 | 8,830,843 | 34,739,190 |
| Fund Balances carried forward | 20,568,822 | 6,050,530 | 26,619,352 | 6,191,230 | 1,672,868 | 7,864,098 | 34,377,968 |

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DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

BALANCE SHEET AS AT 31st DECEMBER 2022

| | Note | 2022 | | | 2021 | | |
|--------------------------------------|------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| | | Parishes £ | Curia £ | Total £ | Parishes £ | Curia £ | Total £ |
| FIXED ASSETS | | | | | | | |
| Tangible Fixed Assets | 12 | 16,810,232 | 3,891,413 | 20,701,645 | 17,337,686 | 3,958,013 | 21,295,699 |
| Investments | 13 | 4,460,412 | 3,748,501 | 8,208,913 | 3,261,846 | 4,288,409 | 7,550,255 |
| | | <u>21,270,644</u> | <u>7,639,914</u> | <u>28,910,558</u> | <u>20,599,532</u> | <u>8,246,422</u> | <u>28,845,954</u> |
| CURRENT ASSETS | | | | | | | |
| Debtors | 14 | 110,619 | 1,269,283 | 1,379,902 | 130,681 | 475,474 | 606,155 |
| Cash at Bank & on Deposit | | 1,687,801 | 3,656,940 | 5,344,741 | 1,460,742 | 4,237,540 | 5,698,282 |
| | | <u>1,798,420</u> | <u>4,926,223</u> | <u>6,724,643</u> | <u>1,591,423</u> | <u>4,713,014</u> | <u>6,304,437</u> |
| LIABILITIES: | | | | | | | |
| Amounts falling due within one year | 15 | (55,192) | (1,096,559) | (1,151,751) | (147,586) | (624,837) | (772,423) |
| NET CURRENT ASSETS | | <u>1,743,228</u> | <u>3,829,664</u> | <u>5,572,892</u> | <u>1,443,837</u> | <u>4,088,177</u> | <u>5,532,014</u> |
| PARISH LOAN ACCOUNTS | | | | | | | |
| Loans to Parishes | | (2,616,069) | 2,616,069 | - | (2,689,439) | 2,689,439 | - |
| Parish Deposits | | 6,221,549 | (6,221,549) | - | 6,193,195 | (6,193,195) | - |
| TOTAL NET ASSETS | | <u>26,619,352</u> | <u>7,864,098</u> | <u>34,483,450</u> | <u>25,547,125</u> | <u>8,830,843</u> | <u>34,377,968</u> |
| REPRESENTED BY INCOME FUNDS:- | | | | | | | |
| Restricted Funds | 16 | 6,050,530 | 1,672,868 | 7,723,398 | 5,494,543 | 2,016,163 | 7,510,706 |
| Unrestricted Funds | | | | | | | |
| Designated Funds | 17 | 12,839,061 | 2,991,872 | 15,830,933 | 13,203,309 | 3,066,618 | 16,269,927 |
| Other Unrestricted Funds | 17 | 7,729,761 | 3,199,358 | 10,929,119 | 6,849,273 | 3,748,062 | 10,597,335 |
| | 18 | <u>26,619,352</u> | <u>7,864,098</u> | <u>34,483,450</u> | <u>25,547,125</u> | <u>8,830,843</u> | <u>34,377,968</u> |

The financial statements on pages 13 to 32 were approved by the Finance Board of Diocese of Hallam Trustee, as sole Trustee on 25th October 2023 and signed on its behalf by:-



The Right Reverend Ralph Heskett, C.Ss.R.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

CASH FLOW STATEMENT

For the Year Ended 31st December 2022

| | £ | 2022 £ | £ | 2021 £ |
|---|-----------|-------------------------|-----------|-----------------------|
| Net Cash (outflow)/inflow from operating activities (Note a) | | (219,033) | | (476,214) |
| Investing activities | | | | |
| Dividends and interest received | 91,968 | | 86,976 | |
| Purchase of tangible fixed assets | (248,468) | | (174,161) | |
| Purchase of investments | (350,536) | | (224,275) | |
| Proceeds from sale of fixed assets | - | | 605,524 | |
| Proceeds from sale of investments | 372,528 | | 487,967 | |
| Net cash inflow (out of the) from investing activities | | <u>(134,508)</u> | | <u>782,031</u> |
| (Decrease)/Increase in cash | | <u>(353,541)</u> | | <u>305,817</u> |
| | | | | |
| <u>Reconciliation of Net Cash flow to movements in net funds</u> | | | | |
| Increase/(Decrease) in cash in the period | | (353,541) | | 305,817 |
| Cash Funds at 1 st January 2022 | | 5,698,282 | | 5,392,465 |
| Cash Funds at 31 st December 2022 | | <u>5,344,741</u> | | <u>5,698,282</u> |

The charity has no disclosable debt, and consequently the cash at bank and in hand, is also the net debt/funds reconciliation.

Notes to the Cash flow Statement

| | | | | |
|--|-----------|------------------|------------------|------------------|
| a) Reconciliation of net (outgoing)/incoming resources to net cash inflow/(outflow) from operating activities:- | | 2022 | | 2021 |
| | | £ | | £ |
| Net incoming/ (outgoing) resources | 105,482 | | (361,222) | |
| Dividends & interest received | (91,968) | | (86,959) | |
| Depreciation | 808,713 | | 945,143 | |
| (Increase)/Decrease in Debtors | (773,747) | | (127,153) | |
| Increase/(Decrease) in Creditors | 379,328 | | (305,187) | |
| Profit on disposal of fixed assets | - | | (116,477) | |
| Net (Gains)/Losses on Investments | (646,841) | | (424,359) | |
| | | <u>(219,033)</u> | | <u>(476,214)</u> |
| | | | | |
| b) Changes in cash and cash equivalents | | 2022 | 2021 | Change in year |
| | | £ | £ | £ |
| Cash at Bank and Short Term Deposits | 5,344,741 | <u>5,698,282</u> | <u>5,698,282</u> | <u>(353,541)</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

1 The financial statements principally reflect the incoming resources and application of resources of the main charity, Roman Catholic Diocese of Hallam Trust and include Parishes, Diocesan Agencies, and Diocesan Organisations. The financial statements also reflect a number of small individual parish trusts and separately registered diocesan charities, which are under the control of Diocese of Hallam Trustee, including the J.J. Eyre Funds and St. Charles Charity (Charity Registration No. 1049619).

2 **Accounting policies**

2.1 **Basis of preparation**

The financial statements have been prepared in accordance with the accounting policies set out below and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102).

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments and are presented in sterling, which is also the functional currency of the charity.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs) except for those financial assets classified as at fair value through the Statement of Financial Activities, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when, and only when, a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method. Debtors classified as recoverable within one year are not amortised.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

Creditors

Creditors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method. Creditors payable within one year are not amortised.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires the Trustee to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise.

Significant judgements

In the course of preparing the financial statements, the following significant judgements have been made in the process of applying the charity's accounting policies:-

- assessing the probability of the receipt of legacy income;
- assessing the appropriateness of the assumptions and methodology used in determining the fair value of investment properties;
- determining the value of the designated funds needed at the year end to meet specific future expenditure;

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and by their nature, will rarely equal the related actual outcome. The charity does not have any key assumptions concerning the future, or other key sources of estimation uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Notwithstanding this, the charity is required to make estimates as detailed below:

- estimating the accrued expenditure including employees' accrued holiday pay;
- estimating the useful economic life of tangible fixed assets to determine a depreciation charge;
- estimating the cost of the functional fixed assets, including property, that were held at 31st December 1996;

Assessment of Going Concern

The Trustee considers that there are no material uncertainties about the trust's ability to continue as a going concern.

Income

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations

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 by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the Balance Sheet as deferred income to be released.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

2.2 Fund Accounting

Diocesan activities fall into two categories:

- Parishes - transactions relating to individual Parishes within the Diocese.
- Curia - transactions concerning the Diocese as a whole.

The Funds of the charity are analysed into Restricted and Unrestricted Funds.

Restricted Funds represent amounts received for a specified purpose which had not been expended at the Balance Sheet date. Parish property subject to a Special Trust is also reflected in the Restricted Fund balances.

Unrestricted Funds represent amounts available for the general purposes of the charity. Within Unrestricted Funds, Designated Funds reflect the amounts set-aside for particular projects or purposes, but which may be spent for other general charitable purposes.

The Statement of Financial Activities details Parish and Curial incoming resources and resources expended, analysed between Unrestricted and Restricted Funds.

Parish Income is, under Canon Law, under the control and direction of the Parish Priest who exercises his ministry under the authority of the Bishop. Although the Finance Board of Diocese of Hallam Trustee has ultimate responsibility under civil law for these funds, the juridical person who holds Parish Funds is the Parish Priest, and these funds are unrestricted only in terms of their use within the individual parish.

2.3 Tangible Fixed Assets

Freehold and Leasehold Land and Buildings

(a) Functional Land and Buildings

Churches, Presbyteries, Church Halls, Offices, etc.

i) Freehold Land

Functional Land, (i.e. land used for the prime purpose of the Charity), is included in the financial statements at original cost, or where this is not available at an estimate of its historic cost (or in the case of donated land or land acquired at nil cost, at its fair value at the date of receipt). Freehold land is not depreciated because it has an indefinitely long useful life.

ii) Freehold Buildings

Functional Buildings (i.e. buildings used for the prime purpose of the Charity), which are still in use by the Charity are included in the financial statements at original cost, or in the case of buildings transferred at nil cost on the formation of the Diocese, at an estimate of their fair value at the date of acquisition. All new functional buildings, improvements and major renovations are capitalised at the cost of construction.

Buildings which were in use at 31st December 1996, and additions since that date, are depreciated at rates calculated to write off their estimated historic cost (less the estimated residual value) evenly over the whole of their useful life.

The estimate of the useful life of a building varies depending on the condition and future use of the building. However, in general it is expected that a building in a reasonable state of repair will continue in use without major renovations or improvements for the following period:

| | | |
|-----|-------------------------------|------------------|
| (a) | Unlisted Churches | 25 to 100 years |
| (b) | Cathedral and Listed Churches | 100 to 200 years |
| (c) | Presbyteries | 25 to 50 years |
| (d) | Burghwallis Hall | 100 years |
| (e) | Other buildings | 10 to 75 years |

Depreciation rates are calculated using the age of the building and its expected useful life.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

Padley Martyrs Chapel, Grindleford, Derbyshire is not depreciated because it was built c.1400, is a Grade I listed building and is considered to have an extraordinary long life that cannot be determined. The charity does not recognise this heritage asset in its Balance Sheet as details of its cost and initial valuation are not held, given the nature of the asset and its longevity. The cost of obtaining a value is not commensurate with any benefit to the users of the accounts and given the religious nature of the asset it is extremely unlikely that the monetary value (from sale) will ever be recognised by the charity. The cost of obtaining a valuation has been considered by the charity and it believes it is not justified by the usefulness of the information to the users of the accounts.

iii) Leasehold Land and Buildings

Leasehold land and buildings are depreciated over the life of the lease on a straight-line basis.

Details and addresses of the Diocesan churches and other buildings (both freehold and leasehold) can be found in the Diocesan Year Book.

Voluntary Aided Schools & Catholic Voluntary Academies

i) Land

The charity owns the land on which its Voluntary Aided Schools are built, and the land occupied by Catholic Voluntary Academy Trusts and Catholic Multi Academy Trusts. Each Trust/school is an exempt charity under the Charities Act 2011 and occupies the land rent-free. The nature of the occupation of the land by these exempt charities means that the Diocese's Trustee does not have the power to dispose of the land until the school ceases its occupation, which in turn would require the approval of the Directors/Governors and the Secretary of State and may involve the recovery of grant-aid by the DfE. Consequently such land is not in direct use by the charity, does not generate any income, cannot be disposed of on the open market, and cannot be used for any other purpose during the schools' occupation. In view of these restrictions, the Trustee believes the recoverable amount of these assets is nil and they are included at nil valuation.

ii) Buildings

The School buildings are occupied, improved, extended and repaired by the School Governors/Academy Trusts. The nature of the occupation of the buildings by these exempt charities means that the Diocese's Trustee does not have the power to dispose of the buildings until the school ceases its occupation, which in turn would require the approval of the Governors and the Secretary of State and may involve the recovery of grant-aid by the DfE. Consequently such buildings are not in direct use by the charity, do not generate any income, cannot be disposed of on the open market, and cannot be used for any other purpose during the schools' occupation. In view of these restrictions, the Trustee believes the recoverable amount of these assets is nil and they are included at nil valuation.

The School Governors/Academy Trusts account for the building, improvement and repair costs of the schools and account for any grants received in respect of these costs. Grants made by the Diocese through the Diocesan Schools' Building Fund (or occasionally via parishes) to the Governors of Voluntary Aided Schools in order to assist them with their liability for school building costs are charged to the Statement of Financial Activities in the year of payment.

As at 31st December 2022 there were 28 Catholic Voluntary Academies (5 High schools and 23 Primary schools), together with 15 Voluntary Aided Catholic Primary Schools, 1 Voluntary Aided Joint Catholic and Church of England Primary School, 1 Voluntary Aided Catholic High School, 1 Joint Catholic & Church of England Academy primary school and 1 Joint Catholic and Church of England 3-16 Academy in occupation of land and buildings. The charity owns the freehold of 46 of these premises in their entirety, and the freehold and leasehold of one split-site High School. Further details of the Diocesan Voluntary Aided Schools and Catholic Voluntary Academies, are given on the Diocesan website.

(b) Investment Properties and Donated Property awaiting sale.

Investment Properties

Investment properties are shown at the Trustee's best estimate of market value. The majority of the Investment Properties were professionally valued as at 31st December 2022 and all are valued professionally at least every five years. The Investment Properties are spread across the Diocese, and consequently the revaluation was carried out, principally by Commercial Property Rotherham Ltd with other local valuers being used for some investment properties. The Finance Board of Diocese of Hallam Trustee annually reassesses the value of the investment property portfolio. Any change in value during the year is reported in the "Other Recognised Gains & Losses" section of the Statement of Financial Activities. Further details of the basis of the valuation are given in note 13 to these financial statements. Investment Properties are reflected at market value, therefore no charge for depreciation is made in the financial statements in accordance with accounting standards.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

Fixtures, Fittings and Equipment

Acquisitions with a cost (or fair value in the case of donated items) in excess of £2,500 are capitalised. They are depreciated at rates calculated to write off the cost, less the estimated residual value of each asset evenly over its expected useful life as follows:-

| | |
|--|----------------------|
| Fixtures and Fittings | 10 years |
| Office Equipment | 5 years |
| Computers | 3 years |
| General Equipment | 5 years |
| Church Fixtures & Fittings | 10 to 50 years |
| Presbytery Fixtures & Fittings | 5 to 10 years |
| Residential/Day Centre Furniture & Equipment | 4 to 10 years |
| Motor Vehicles | 20% Reducing Balance |

Works of Art and Historic Treasures

Individual Works of Art, Historic Treasures and Plate are not capitalised as they have extraordinary long lives and are worth preserving perpetually.

2.4 Investments

Investments are stated at their market value as at the Balance Sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

2.5 Foreign currency transactions

The financial statements are presented in Sterling, which is also the functional currency of the charity. Transactions in currencies other than the functional currency of the charity, are recorded at the rate of exchange at the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. All differences are taken to the relevant Support Costs element of the Statement of Financial Activities.

2.6 Pension costs

Contributions towards employee's personal pension schemes and a group personal pension scheme for employees are charged to the Statement of Financial Activities in the year in which they become payable. The Diocese is neither liable to finance any funding shortfall, nor entitled to benefit from any over-funding. During the year contributions were made for one employee to the Teachers' Pension Scheme ("the TPS"), an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Scheme Regulations 2015. The employer's contribution is set by the TPS. As at 31st December 2022 the rate was 23.68% (including a scheme administration levy). The TPS represents a collective scheme and it is not possible to separately identify the assets and liabilities attributable to a particular employer. The Diocese has neither a commitment to make good any actuarial deficit, nor an entitlement to benefit from any over funding. Retirement and other pension benefits are paid by public funds provided by Parliament.

2.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.8 Public Benefit

The charity operates for the public benefit, in accordance with the Charity Commission's guidance.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

| 3. Grants | Parishes 2022 £ | Curia 2022 £ | Total 2022 £ | Total 2021 £ |
|--|--------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Government Grant: CJRS [Exceptional item] | - | - | - | 72,621 |
| Government Grant: National Lottery | - | 45,000 | 45,000 | 45,000 |
| Government Grant: GBS Home Office | - | 3,141 | 3,141 | - |
| Other Grants | 26,653 | 126,796 | 153,449 | 152,784 |
| | <u>26,653</u> | <u>174,937</u> | <u>201,590</u> | <u>270,405</u> |
| 4 Income from Charitable Activities | Parishes 2022 £ | Curia 2022 £ | Total 2022 £ | Total 2021 £ |
| Repositories, Bookstalls & Sale of Newspapers | 30,610 | - | 30,610 | 21,325 |
| Chaplaincies | 20,723 | - | 20,723 | 22,701 |
| Other Parish charitable income | 57,849 | - | 57,849 | 35,102 |
| St. Wilfrid's Centre | - | 161,866 | 161,866 | 178,387 |
| St. Wilfrid's Place | - | 75,657 | 75,657 | 81,047 |
| Caritas Hallam | - | 157,663 | 157,663 | 112,400 |
| Schools' Department | - | 236,273 | 236,273 | 212,199 |
| Finance Department | - | 2,220 | 2,220 | - |
| Formation & Mission | - | 1,730 | 1,730 | 3,010 |
| Pastoral Centre | - | 4,969 | 4,969 | 1,236 |
| Tribunal | - | 1,350 | 1,350 | 900 |
| Youth Ministry | - | 2,758 | 2,758 | - |
| St. Vincent's MissionHub | - | 2,994 | 2,994 | 1,940 |
| Lourdes Pilgrimage | - | 183,742 | 183,742 | - |
| Walsingham Pilgrimage | - | 1,363 | 1,363 | - |
| | <u>109,182</u> | <u>832,585</u> | <u>941,767</u> | <u>670,247</u> |
| 5. Other Investment Income | Parishes 2022 £ | Curia 2022 £ | Total 2022 £ | Total 2021 £ |
| Interest on cash deposits | 607 | 4,448 | 5,055 | 397 |
| Listed Investment income and other investment income | 1,495 | 85,418 | 86,913 | 86,562 |
| Member's Award - Catholic National Mutual Ltd | - | - | - | 9,013 |
| Member's Award - Inter-Diocesan Fuel Management Ltd | - | 4,000 | 4,000 | 51,960 |
| | <u>2,102</u> | <u>93,866</u> | <u>95,968</u> | <u>147,932</u> |
| 6. Expenditure on Raising Funds | Parishes 2022 £ | Curia 2022 £ | Total 2022 £ | Total 2021 £ |
| Fund-raising costs | 22,285 | 7,490 | 29,775 | 19,841 |
| Bank Charges | 30,671 | 1,644 | 32,315 | 22,197 |
| Investment Management Costs | - | 28,432 | 28,432 | 31,262 |
| Investment Property Management & Expenses | 110,163 | - | 110,163 | 34,011 |
| | <u>163,119</u> | <u>37,566</u> | <u>200,685</u> | <u>107,311</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

7. Charitable Activities

| <u>Parishes</u> | Direct Costs £ | Support Costs £ | Total 2022 £ | Total 2021 £ |
|--|----------------------|-----------------------|--------------------|--------------------|
| Church Altar & Liturgy | 108,719 | - | 108,719 | 68,567 |
| Parish general running costs | 813,776 | - | 813,776 | 752,325 |
| Property repairs and maintenance | 584,644 | - | 584,644 | 773,004 |
| Clergy costs including travel expenses | 387,218 | - | 387,218 | 347,957 |
| Staff Costs | 227,466 | - | 227,466 | 226,892 |
| Depreciation | 684,832 | - | 684,832 | 827,848 |
| Repository, Bookstall & Newspaper expenses | 26,424 | - | 26,424 | 21,823 |
| Grants to Schools | 2,000 | - | 2,000 | - |
| Payments to Religious Orders re Parish Sisters | 17,106 | - | 17,106 | 14,768 |
| Professional fees | - | 3,960 | 3,960 | 8,880 |
| Other Donations & Grants | 59,050 | - | 59,050 | 46,943 |
| | <u>2,911,235</u> | <u>3,960</u> | <u>2,915,195</u> | <u>3,089,007</u> |

| <u>Curia</u> | Direct Costs £ | Support Costs £ | Total 2022 £ | Total 2021 £ |
|---|----------------------|-----------------------|--------------------|--------------------|
| Bishop of Hallam's Office & Mensa | 78,682 | - | 78,682 | 73,800 |
| General Diocesan Expenditure | 30,063 | 406 | 30,469 | 20,343 |
| Camino Grant | 4,715 | - | 4,715 | 39,000 |
| Safeguarding | 85,861 | - | 85,861 | 79,392 |
| MissionHub & University Chaplaincies | 59,801 | - | 59,801 | 54,627 |
| Hallam Pastoral Centre | 16,263 | - | 16,263 | 14,371 |
| Schools' Department | 294,334 | - | 294,334 | 300,857 |
| Formation & Mission | 47,645 | - | 47,645 | 37,701 |
| Property Department | 60,526 | - | 60,526 | 48,327 |
| Health & Safety | 15,236 | - | 15,236 | 15,078 |
| Tribunal | 38,564 | - | 38,564 | 44,176 |
| Youth Ministry | 51,573 | - | 51,573 | 4,014 |
| Finance Department | - | 90,513 | 90,513 | 82,629 |
| Communication | 12,344 | - | 12,344 | 1,291 |
| Clergy Formation & Training | 78,312 | - | 78,312 | 64,046 |
| Clergy Support | 15,237 | - | 15,237 | 7,394 |
| Sick & Retired Clergy | 200,998 | - | 200,998 | 154,973 |
| National Levies | 56,300 | - | 56,300 | 48,538 |
| Grants to Schools | 12,717 | - | 12,717 | 35,751 |
| Caritas Hallam | 276,632 | 5,009 | 281,641 | 248,337 |
| Padley Chapel | 3,784 | - | 3,784 | 2,986 |
| St Wilfrid's Centre | 416,883 | 11,376 | 428,259 | 447,321 |
| St Wilfrid's Place | 62,269 | 474 | 62,743 | 58,029 |
| Burghwallis Hall (former St Anne's Rest Home) | 4,563 | - | 4,563 | 18,582 |
| Pilgrimages | 212,645 | - | 212,645 | 11,377 |
| Professional fees | - | 55,961 | 55,961 | 51,900 |
| National Schools' Singing Programme | 118 | - | 118 | - |
| | <u>2,136,065</u> | <u>163,739</u> | <u>2,299,804</u> | <u>1,964,840</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

8 Allocated Support Costs

| | Parishes 2022 £ | Curia 2022 £ | Total 2022 £ | Total 2021 £ |
|--|-----------------------|--------------------|--------------------|--------------------|
| Finance Department & Trustee meeting costs | - | 90,919 | 90,919 | 82,912 |
| Governance - Legal & Other Professional Fees | 3,960 | 3,420 | 7,380 | 8,880 |
| Audit | - | 15,072 | 15,072 | 13,956 |
| Accountancy | - | 54,328 | 54,328 | 47,847 |
| | <u>3,960</u> | <u>163,739</u> | <u>167,699</u> | <u>153,595</u> |

9 Staff Costs

| | Total 2022 £ | Total 2021 £ |
|-----------------------|--------------------|--------------------|
| Salaries | 1,160,390 | 1,155,955 |
| Social Security Costs | 85,051 | 84,270 |
| Pension Costs | 62,791 | 62,992 |
| | <u>1,308,232</u> | <u>1,303,217</u> |

Average number of employees:-

| | 2022 | 2021 |
|-------------------------------------|------------|------------|
| <i>Direct Charitable activities</i> | | |
| Parishes | 54 | 54 |
| Curia | | |
| Diocesan Departments & Agencies | 20 | 17 |
| Diocesan Organisations | 29 | 29 |
| | <u>103</u> | <u>100</u> |

The number of employees whose emoluments fell within the following band was:-

| | 2022 | 2021 |
|-------------------|----------|----------|
| £60,001 - £70,000 | - | 1 |
| £70,001 - £80,000 | 2 | 1 |
| | <u>2</u> | <u>2</u> |

During the year, pension contributions for the above amounted to £30,037 (2021: £23,458).

The cost of Key management personnel (salary, employer's national insurance and employer's pension contributions) was £230,076 (2021: £213,351).

Clergy are not included within the above as they are Office Holders and not employees of the Charity. Payments to Clergy amounted to £459,613 (2021: £422,175). Payments to Religious Orders for Parish Sisters amounted to £17,106 (2021: £14,768).

In addition to employees, the Charity has a number of unpaid volunteers who help in the parishes and in Diocesan Organisations.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

10 Trustees (Finance Board Members) Information

The sole Trustee of the Roman Catholic Diocese of Hallam Trust is a Trust Corporation, Diocese of Hallam Trustee. The directors of Diocese of Hallam Trustee are known as Members of the Finance Board and are Trustees in law. None of the Members of the Finance Board received remuneration for their role as Trustees. Four Members of the Finance Board who served during the year are Roman Catholic Priests of the Diocese, and were housed and remunerated within their parishes. To assist him in the performance of his duties, the Bishop is provided with a house, and his expenses in carrying out his office are met from Curial Funds. The total remuneration received by the Clergy Trustees through their ecclesiastical Office (and not through their position as trustees) was £40,204 (2021: £35,968).

None of the Members of the Finance Board received any reimbursement of expenses arising from their position as Trustees.

11 Indemnity Insurance

Charitable Trustee Indemnity Insurance for £5 million cover was incorporated in the overall public liability and buildings insurance arrangements made for the charity.

12 Tangible Fixed Assets

| | Freehold Land and Buildings £ | Leasehold Land and Buildings £ | Fixtures, Fittings, and Equipment £ | Motor Vehicles £ | Total £ |
|--|---|--|---|------------------------|-------------------|
| Cost/Fair value at acquisition | | | | | |
| As at 1st January 2022 | 40,329,663 | 1,089,033 | 2,065,656 | 33,985 | 43,518,337 |
| Additions | 181,558 | - | 66,910 | - | 248,468 |
| Transfers to Investment Properties | (89,244) | - | - | - | (89,244) |
| As at 31st December 2022 | <u>40,421,977</u> | <u>1,089,033</u> | <u>2,132,566</u> | <u>33,985</u> | <u>43,677,561</u> |
| Depreciation | | | | | |
| As at 1st January 2022 | 20,148,281 | 645,931 | 1,408,035 | 20,391 | 22,222,638 |
| Charge for the Year | 734,970 | 8,443 | 58,503 | 6,797 | 808,713 |
| Withdrawn on Transfer to Investment Properties | (55,435) | - | - | - | (55,435) |
| As at 31st December 2022 | <u>20,827,816</u> | <u>654,374</u> | <u>1,466,538</u> | <u>27,188</u> | <u>22,975,916</u> |
| Net Book Value | | | | | |
| As at 31st December 2022 | <u>19,594,161</u> | <u>434,659</u> | <u>666,028</u> | <u>6,797</u> | <u>20,701,645</u> |
| As at 31st December 2021 | <u>20,181,382</u> | <u>443,102</u> | <u>657,621</u> | <u>13,594</u> | <u>21,295,699</u> |

Net Book Value as at 31st December 2022 represents fixed assets used for:-

| | | |
|-----------------|-------------|----------------------|
| Parish purposes | £16,810,232 | (2021 : £17,337,686) |
| Curial purposes | £3,891,413 | (2021 : £ 3,958,013) |

Land and buildings occupied by the diocese's two Multi Academy Trusts, Catholic Voluntary Academies and Voluntary Aided Schools are not capitalised because they are considered to be of nil value (see accounting policy note 2.3a for further details).

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

13 Fixed Asset Investments

| | 2022 | 2021 |
|--|-------------------------|-------------------------|
| | £ | £ |
| (a) Listed Investments | | |
| Market Value 1st January 2022 | 4,165,137 | 3,812,083 |
| Acquisitions | 231,178 | 156,662 |
| Disposals at Opening Value (Note I) | (424,192) | (185,979) |
| Net unrealised investment gains/(losses) | (461,999) | 382,371 |
| | <u>3,510,124</u> | <u>4,165,137</u> |
| (b) Unlisted Investments | | |
| The Catholic National Mutual Limited | 4,000 | 4,000 |
| Inter-Diocesan Fuel Management Limited | 4,000 | - |
| | <u>8,000</u> | <u>4,000</u> |
| (c) National Savings Deposits & Bonds | | |
| Market Value at 1st January 2022 | 99,000 | 99,000 |
| Market Value at 31st December 2022 | <u>99,000</u> | <u>99,000</u> |
| (d) Cash deposits – pending reinvestment | | |
| Stockbroker's deposit accounts | <u>167,026</u> | <u>51,668</u> |
| | 2022 | 2021 |
| | £ | £ |
| (e) Investment Properties | | |
| Market Value at 1st January 2022 | 3,230,450 | 3,432,450 |
| Additions | - | 58,000 |
| Transfer from Functional Fixed Assets | 33,809 | - |
| Disposals at Opening Value (Note II) | - | (260,000) |
| Net gain/(loss) on revaluation | 1,160,504 | - |
| | <u>4,424,763</u> | <u>3,230,450</u> |
| Market Value at 31st December 2022 | <u>4,424,763</u> | <u>3,230,450</u> |
| TOTAL FIXED ASSET INVESTMENTS | <u>8,208,913</u> | <u>7,550,255</u> |

\ Continued on Page 27

DIOCESE OF HALLAM
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NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

13 Fixed Asset Investments (Continued)

| | 2022 | 2021 |
|----------------------|---------|----------|
| | £ | £ |
| Note (I) | | |
| Proceeds | 372,528 | 191,729 |
| Realised (Gain)/Loss | 51,664 | (5,750) |
| | 424,192 | 185,979 |
| | 424,192 | 185,979 |
| | | |
| | 2022 | 2021 |
| | £ | £ |
| Note (II) | | |
| Proceeds | - | 296,238 |
| Realised (Gain)/Loss | - | (36,238) |
| | - | 260,000 |
| | - | 260,000 |

Market Value at 31st December 2022 represented investments held for:-

Parish purposes £4,460,412 (2021: £3,261,846)
Curial purposes £3,748,501 (2021: £4,288,409)

The historical cost of listed investments is £2,925,420 (2021: £2,951,583).

The unlisted investment in The Catholic National Mutual Limited can only be disposed of *at par*, and the historical cost of that investment is £4,000.

The unlisted investment in Inter-Fuel Management Ltd was acquired on 31st March 2022 at a value of £4,000 and can only be disposed of *at par*.

Investment Properties are based at the Trustee's best estimate of fair value at the Balance Sheet date.

The Investment Properties were acquired at nil cost on formation of the Diocese in 1980 and on the subsequent transfer of one parish from a separate trustee. The majority of the investment properties were revalued professionally as at 31st December 2022 at open market value by Commercial Property Rotherham Ltd. The remainder of the investment properties were revalued as at 31st December 2022 by other valuers, local to their location.

All investment properties are situated in the UK.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

| | | |
|--|------------------|----------------|
| 14 Debtors | 2022 | 2021 |
| | £ | £ |
| Amounts falling due within one year | | |
| Accrued Interest receivable | 1,425 | 103 |
| Gift Aid Tax recoverable | 20,136 | 10,980 |
| Other Debtors | 1,232,406 | 501,150 |
| Prepayments | 108,421 | 78,573 |
| Pastoral Loans | 17,514 | 15,349 |
| | <u>1,379,902</u> | <u>606,155</u> |

The Pastoral Loans made are to priests, interest free and repayable on demand.

Other Debtors includes £843,968 (2021: £163,276) set-up costs met on behalf of the two diocesan Multi Academy Trusts established during 2022. Whilst still repayable on demand, this will be reimbursed over the coming years, as the Trusts grow.

All debtors are repayable within one year.

| | | |
|---|------------------|----------------|
| 15 Liabilities: Amounts falling due within one year | 2022 | 2021 |
| | £ | £ |
| Sundry Creditors | 155,885 | 298,887 |
| D/E LCVAP funding held for Diocesan Voluntary Aided Schools | 881,715 | 361,703 |
| PAYE Creditor | 83 | 6,063 |
| Third Party Collections | 29,287 | 33,172 |
| Accruals | 84,781 | 72,598 |
| | <u>1,151,751</u> | <u>772,423</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

16 Restricted Funds

| | Balance 1.1.22 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.22 £ |
|---------------------------------------|------------------------|---------------|------------------|----------------|---------------------------------------|--------------------------|
| <u>Parish Funds</u> | | | | | | |
| Parish Restricted Property | 4,887,377 | - | (129,397) | - | 693,191 | 5,451,171 |
| J.J. Eyre Fund (St Vincent's) | 30,520 | 559 | (2,076) | - | 1,507 | 30,510 |
| J.J. Eyre Fund (St Marie's) | 44,559 | 937 | - | - | 2,746 | 48,242 |
| Other Restricted Parish Funds | 532,087 | 10,400 | (9,454) | (12,426) | - | 520,607 |
| <u>Curial Funds</u> | | | | | | |
| Sick & Retired Clergy Fund | 430,349 | 20,650 | (205,895) | - | (93,749) | 151,355 |
| Priests' Training Fund | (11,307) | 15,470 | (78,158) | 111,715 | (37,720) | - |
| Foundation Masses Fund | 22,518 | 71 | (71) | - | - | 22,518 |
| Diocesan Schools' Building Fund | 70,221 | 1,330 | (12,717) | - | - | 58,834 |
| The Gerard Postlethwaite Camino Fund | 4,715 | - | (4,715) | - | - | - |
| National Singing Programme Fund | 25,000 | - | (118) | - | - | 24,882 |
| Lourdes Pilgrimage : Restricted Fund | 1,500 | - | - | - | - | 1,500 |
| St. Wilfrid's Centre Restricted Funds | 38,568 | 28,341 | (55,849) | - | - | 11,060 |
| St. Wilfrid's Place Restricted Fund | 1,434,599 | - | (31,880) | - | - | 1,402,719 |
| | <u>7,510,706</u> | <u>77,758</u> | <u>(530,330)</u> | <u>99,289</u> | <u>565,975</u> | <u>7,723,398</u> |

- (a) Parish Restricted Property Fund - This Fund represents the Parish property that is subject to a Special Trust, at its net book value at the Balance Sheet date.
- (b) Other Restricted Parish Funds – This Fund predominantly represents funds arising from the disposal of Solly Street by St Vincent's Parish, which are to be used only for the benefit of that parish.
- (c) St Wilfrid's Place Restricted Fund – This Fund represents the amounts received in respect of a project in Sheffield to provide supported housing, for adults, which had not been expended at the Balance Sheet date.
- (d) Sick & Retired Clergy Fund - This Fund represents the amounts received to meet the costs involved in the assistance of sick and retired Clergy of the Diocese, which had not been expended at the Balance Sheet date.
- (e) Diocesan Schools' Building Fund' Training Fund - This Fund represents the amounts received by this Fund to enable grants to be made to diocesan Voluntary Aided Schools to assist them in financing the Governors' 10% liability for building improvements and repairs of school buildings.

17 Unrestricted Funds

| | Balance 1.1.22 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.22 £ |
|--------------------------------|------------------------|------------------|--------------------|------------------|---------------------------------------|--------------------------|
| <u>Parish Funds</u> | | | | | | |
| General Fund | 6,849,273 | 3,537,250 | (2,381,952) | (742,123) | 467,313 | 7,729,761 |
| Designated Funds | | | | | | |
| Parishes Fund for Fixed Assets | 13,203,309 | - | (555,435) | 191,187 | - | 12,839,061 |
| | <u>20,052,582</u> | <u>3,537,250</u> | <u>(2,937,387)</u> | <u>(550,936)</u> | <u>467,313</u> | <u>20,568,822</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

17 **Unrestricted Funds (Continued)**

| | Balance 1.1.22 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.22 £ |
|--------------------------------|------------------------|------------------|--------------------|----------------|---------------------------------------|--------------------------|
| <u>Curial Funds</u> | | | | | | |
| General Funds | 3,748,062 | 409,143 | (1,056,169) | 451,647 | (353,325) | 3,199,358 |
| <u>Designated Funds</u> | | | | | | |
| Curial Fund for Fixed Assets | 1,738,391 | 7,087 | (48,407) | - | - | 1,697,071 |
| Needy Parishes Fund | 25,132 | 1,953 | - | - | - | 27,085 |
| Caritas Hallam Fund | 299,946 | 279,189 | (286,756) | - | (33,122) | 259,257 |
| St. Wilfrid's Centre Funds | 372,126 | 359,230 | (377,982) | 38,000 | - | 391,374 |
| St. Wilfrid's Place Fund | 554,181 | 75,657 | (30,863) | (38,000) | - | 560,975 |
| Lourdes Pilgrimage Fund | 73,028 | 125,692 | (146,289) | - | - | 52,431 |
| Walsingham Pilgrimage Fund | 3,814 | 1,366 | (1,501) | - | - | 3,679 |
| | <u>6,814,680</u> | <u>1,259,317</u> | <u>(1,947,967)</u> | <u>451,647</u> | <u>(386,447)</u> | <u>6,191,230</u> |

(a) Parish Fund for Fixed Assets - This Fund comprises the amount of the net book value of fixed assets for Parish use at the balance sheet date.

(b) Curial Fund for Fixed Assets - This Fund comprises the amount of the net book value of fixed assets for general Diocesan use at the balance sheet date.

(c) Caritas Hallam Fund – This Fund represents the amount designated for the activities of Caritas Hallam.

(d) St Wilfrid's Centre Funds – This represents funds designated for the operation of St Wilfrid's Centre.

(e) St Wilfrid's Place Fund – This Fund represents the amount designated in respect of a project in Sheffield providing supported housing, for adults, which had not been expended at the Balance Sheet date.

18 **Analysis of Net Assets Between Funds**

| | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ |
|---|------------------------------------|----------------------------------|-----------------------------|
| Fund Balances at 31st December 2022 | 26,760,052 | 7,723,398 | 34,483,450 |
| Represented by:- | | | |
| Tangible Fixed Assets | 15,253,372 | 5,448,273 | 20,701,645 |
| Investments | 5,750,887 | 2,458,026 | 8,208,913 |
| Current Assets | 6,571,066 | 153,577 | 6,724,643 |
| Inter-fund offset | (514,175) | 514,175 | - |
| Liabilities : Amounts falling due within one year | (301,098) | (850,653) | (1,151,751) |
| Total Net Assets | <u>26,760,052</u> | <u>7,723,398</u> | <u>34,483,450</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

19 Detailed Analysis of Net Assets Between Funds

| <i>PARISHES</i> | Tangible Fixed Assets £ | Investments £ | Net Assets £ | Inter-Fund Loans £ | TOTAL £ |
|---------------------------------|-------------------------------|------------------|--------------------|--------------------------|-------------------|
| Restricted Funds | | | | | |
| Parish Restricted Property Fund | 3,971,171 | 1,480,000 | - | - | 5,451,171 |
| J.J. Eyre Fund (St Vincent's) | - | 13,427 | 17,083 | - | 30,510 |
| J.J. Eyre Fund (St. Marie's) | - | 22,222 | 26,020 | - | 48,242 |
| Other Restricted Parish Funds | - | - | 6,432 | 514,175 | 520,607 |
| Unrestricted Funds | | | | | |
| <i>Designated</i> | | | | | |
| Parishes Fund for Fixed Assets | 12,839,061 | - | - | - | 12,839,061 |
| <i>Other Unrestricted Funds</i> | | | | | |
| General Reserves | - | 2,944,763 | 1,693,693 | 3,091,305 | 7,729,761 |
| | <u>16,810,232</u> | <u>4,460,412</u> | <u>1,743,228</u> | <u>3,605,480</u> | <u>26,619,352</u> |

| <i>CURIA</i> | Tangible Fixed Assets £ | Investments £ | Net Assets £ | Inter-Fund Loans £ | TOTAL £ |
|---|-------------------------------|------------------|--------------------|--------------------------|------------------|
| Restricted Funds | | | | | |
| Sick & Retired Clergy Fund | 65,586 | 651,223 | (565,454) | - | 151,355 |
| Priests' Training Fund | - | 282,154 | (282,154) | - | - |
| Foundation Masses Fund | - | 9,000 | 13,518 | - | 22,518 |
| Diocesan Schools' Building Fund | - | - | 58,834 | - | 58,834 |
| The Gerard Postlethwaite Camino Fund | - | - | - | - | - |
| National Singing Programme Fund | - | - | 24,882 | - | 24,882 |
| St. Wilfrid's Centre: Restricted Grants | 8,797 | - | 2,263 | - | 11,060 |
| St. Wilfrid's Place Restricted | 1,402,719 | - | - | - | 1,402,719 |
| Lourdes Pilgrimage: Sick Child Fund | - | - | 1,500 | - | 1,500 |
| | <u>1,477,102</u> | <u>942,377</u> | <u>(746,611)</u> | <u>-</u> | <u>1,672,868</u> |
| Unrestricted Funds | | | | | |
| <i>Designated</i> | | | | | |
| Curial Fund for Fixed Assets | 1,747,087 | - | - | (50,016) | 1,697,071 |
| Needy Parishes Fund | - | - | 27,085 | - | 27,085 |
| Caritas Hallam Fund | - | 220,256 | 39,001 | - | 259,257 |
| St. Wilfrid's Centre Funds | 263,023 | - | 166,923 | (38,572) | 391,374 |
| St. Wilfrid's Place Fund | 404,201 | - | 118,202 | 38,572 | 560,975 |
| Lourdes Pilgrimage Fund | - | - | 49,995 | 2,436 | 52,431 |
| Walsingham Pilgrimage Fund | - | - | 3,679 | - | 3,679 |
| <i>Other Unrestricted Funds</i> | | | | | |
| General Reserves | - | 2,585,868 | 4,171,390 | (3,557,900) | 3,199,358 |
| | <u>3,891,413</u> | <u>3,748,501</u> | <u>3,829,664</u> | <u>(3,605,480)</u> | <u>7,864,098</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2022

20 Third Party Collections

Third Party collections are taken in Churches with the permission of the Charity but the funds are not under the control of the Charity and are excluded from the Statement of Financial Activities.

21 Entitlement to Future Legacies

Legacies are recognised when there is entitlement, certainty of receipt, and the legacy can be measured. The charity considers that entitlement is when estate accounts are settled/there is notification of a distribution.

22 Connected Charities and Related Party Transactions

The Bishop of Hallam appoints Foundation Directors of Catholic Voluntary Academies and the two diocesan Multi Academy Trusts and Foundation Governors to the Governing Bodies of Diocesan Schools. Foundation Directors/Governors form a majority in each Trust/school. The addresses of Diocesan Schools are detailed on the Diocesan website. Grants made by the charity to Voluntary Aided schools for building and repair costs, through the Diocesan Schools Building Fund amounted to £12,717 (2021: £35,751). One grant was made to a school by a parishes during the year of £2,000 (2021: £Nil). At 31st December 2022 the charity held funds amounting to £881,715 (2021:£361,703) representing DfE grant money held for Diocesan VA Schools. The corresponding creditor is shown in Note 15.

Diocese of Hallam Trustee is also Trustee of St. Michael's Roman Catholic Church and Presbytery, Hathersage, a separate charity.

There are no disclosable related party transactions.

23 Financial Instruments

The charity had the following financial instruments:

| | 2022 £ | 2021 £ |
|---|------------------|----------------|
| Financial assets at fair value through Statement of Financial Activities: | | |
| Fixed asset investments – Equity investments and deposits | 3,784,150 | 4,319,805 |
| Financial assets that are debt instruments measured at amortised cost: | | |
| Debtors | 1,271,481 | 527,582 |
| Financial liabilities measured at amortised cost: | | |
| Creditors | 1,151,751 | 772,423 |
| | <u>1,151,751</u> | <u>772,423</u> |

24 Commitments

Authorised:-

| | 2022 £ | 2021 £ |
|---|----------------|---------------|
| Parish Expenditure | 296,645 | 68,826 |
| Curial Expenditure | - | - |
| Grants to Schools | 431 | - |
| | <u>278,645</u> | <u>16,826</u> |
| Included in amounts authorised are net amounts contracted for : | <u>278,645</u> | <u>16,826</u> |

ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

England & Wales - Charity number 512021

Accounts

DIOCESE OF HALLAM

**Roman Catholic Diocese of Hallam Trust
(Registered Charity No. 512021)**

**ANNUAL REPORT
AND FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2021**

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

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DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

Legal & Administrative Details

Legal Status

The Roman Catholic Diocese of Hallam Trust is a charitable trust, established by a Trust Deed dated 28th October 1981. The Charity Registration number is 512021. The charity is registered with the H.M. Revenue & Customs for tax exemption purposes under reference XN57643A.

The Trust is administered by a Trust Corporation, Diocese of Hallam Trustee, incorporated 26th October 1981 and whose Company Registration Number is 01593544. Diocese of Hallam Trustee is a Company Limited by Guarantee with a licence from the Secretary of State for Business, Innovation & Skills to dispense with the word Limited from its name.

As at 31st December 2021 there were 9 Members of the Finance Board of Diocese of Hallam Trustee.

Directors of Diocese of Hallam Trustee (who served during the year)
(Known as Members of the Finance Board)

Right Reverend Ralph Heskett, C.Ss.R.
Reverend D. Humphries - Resigned 3rd May 2022
Reverend Monsignor W.A. Kilgannon - Resigned 10th March 2021
Reverend Deacon CA..Kime - Resigned 7th December 2022
Mrs P. McGrath - Resigned 5th July 2022
Reverend P.D.. McGuire
Mrs. M.M. Moore – Appointed 16th September 2020. Resigned 10th March 2021
H.H. M.J. Murphy
Reverend C.M. Posluszny
Mrs A.M.. Ryalls
Reverend Monsignor D.M. Sexton, V.G.

Secretary to the Finance Board of Diocese of Hallam Trustee

E.J. Whittaker

Key Personnel:-

Finance Dept:- E.J. Whittaker Schools Dept:- P. Patterson (Primary) R. Sawyer (High Schools)

**Principal Address of Charity
& Registered Office of Trustee**

The Diocese of Hallam Pastoral Centre,
St. Charles Street,
Sheffield. S9 3WU

Principal Bankers

HSBC Bank plc,
Carmel House, 49 - 63 Fargate,
Sheffield. S1 2HD

Solicitors

Taylor & Emmet LLP,
20 Arundel Gate,
Sheffield. S1 2PP

Insurance Managers

Catholic Insurance Service Limited,
Suite 5, Oxford House, Oxford Road
Thame, Oxfordshire. OX9 2AH

Accountants

W.H. Prior
Chartered Certified Accountants
Railway Court,
Doncaster. DN4 5FB

Investment Managers

Investec Wealth and Investment Ltd,
Beech House,
61 Napier Street,
Sheffield. S11 8HA

Auditors

Warrens GBC Ltd
Chartered Certified Accountants & Statutory Auditor
33 Thorne Road,
Doncaster. DN1 2HD

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT

Year Ended 31st December 2021

The Trustee presents its Report and Financial Statements for the Year Ended 31st December 2021. The Statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – Charities SORP FRS102.

HISTORY AND ORGANISATION

The Roman Catholic Diocese of Hallam is a charitable trust, established by a Trust Deed dated 28th October 1981, amended by a deed of variation dated 20th July 2006. The Diocese of Hallam was formed on 30th May 1980 from the division of the Dioceses of Leeds and Nottingham. The Trust is a Registered Charity, registration number 512021 and its sole Trustee is Diocese of Hallam Trustee as detailed on Page 1. The objects of the charity are:-

'To advance the Roman Catholic Religion in the Hallam Diocese by such means being charitable as the Bishop of Hallam may think fit and proper and for the service and support whether in the Hallam Diocese or outside the Hallam Diocese by such means as aforesaid of charitable works and objects promoted by the Church'.

The Diocese of Hallam consists of 52 parishes in the county of South Yorkshire, parts of the High Peak and Chesterfield Districts of Derbyshire, and the district of Bassetlaw in Nottinghamshire. Mass attendance for 2021 averaged 6,066 (2020: 3,633). It should be noted that the Bishops of England & Wales removed the Sunday obligation in March 2020 at the start of the Covid-19 pandemic and this continued until May 2022. Attendance figures for both years are therefore cumulative across the week, and the 2020 comparative year includes periods of full closure.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Roman Catholic Diocese of Hallam Trust is a charitable trust established by Trust Deed. The power of appointment of Trustees is vested in the Bishop of Hallam. The Charity is administered by the trust corporation Diocese of Hallam Trustee, a company limited by guarantee and not having share capital, registered under the Companies Acts (No. 01593544). The directors of Diocese of Hallam Trustee are known as Members of the Finance Board.

The sole trustee is the trust corporation Diocese of Hallam Trustee. The Bishop of Hallam appoints the Members of the Finance Board under article 31 of the Trust Corporation's Articles of Association. The Members of the Finance Board comprise clergy and laity and are appointed for their expertise. New Members of the Finance Board are provided with an information pack relating to the constitution, governance and operation of the charity, and ongoing training is provided to all Members. The Members of the Finance Board who served during the year, and as at the date of this Report are detailed on Page 1.

The Finance Board of Diocese of Hallam Trustee meets approximately every six weeks. The Board receives reports from senior officers and various committees, considers proposals for major expenditure and, under the leadership of the Bishop, sets the strategic direction of the charity.

The Schools' Department gives advice to Catholic, and joint Catholic and Church of England, schools in the Diocese. The Hallam Diocesan Schools Executive Committee meets regularly to consider academy conversion applications and the progress of schools. This Committee comprises of the Episcopal Vicar for Schools (Rev. P. McGuire), officers of the Schools' Department, the Director of Finance, the Diocesan Property Manager and the Bishop. The Diocesan Building Committee normally meets one week before each Finance Board meeting. That committee monitors property matters in more depth and reports to the Finance Board with their recommendations. It holds delegated responsibility for building projects below £40,000. Rev. Deacon C. Kime, and Rev. C. Posluszny represented the Finance Board on the Diocesan Building Committee, and the Director of Finance and Diocesan Property Manager are in attendance.

The Investment Sub-Committee of the Finance Board of Diocese of Hallam Trustee monitors performance and sets benchmarks for the investment managers. The Sub-Committee consists of at least one member of the Finance Board and throughout 2021 this Committee comprised of the Bishop, Mr. S. Hanlon, Rev. M. McManus, and the Director of Finance. The Diocesan Health & Safety Sub-Committee met regularly in 2021.

Diocesan Organisations operate under the supervision of a Member of the Finance Board, as Executive of Diocese of Hallam Trustee, or a senior member of staff, operating under delegation, who reports to the Finance Board.

The independent Diocesan Safeguarding Commission meets several times a year and presents regular reports to the Bishop and Finance Board. The Commission seeks to implement National and Diocesan Policies, Guidelines and Procedures on the care and protection of children and vulnerable adults and works closely with the Catholic Safeguarding Standards Agency (CSSA), Local Safeguarding Representatives in each parish, safeguarding representatives in diocesan organisations, and relevant statutory bodies. From 2022, in accordance with the CSSA guidelines, and following the national Elliott Review, a Safeguarding Sub-Committee replaces the Diocesan Safeguarding Commission.

DIocese OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2021

Parish Priests administer the financial affairs of the Parishes, and act as agents of Diocese of Hallam Trustee. They are assisted by a Parish Finance Committee who offer advice and support. In parishes, and in Diocesan organisations, the Charity relies on the generous support of a large number of volunteers who offer their time and skills freely.

PUBLIC BENEFIT

The celebration of Mass is central to the Roman Catholic faith, and this is the main use of the 60 Churches operated by the charity. Whilst Sunday is the principal day of worship, many of our churches are open each day and are accessible to all. Every week the parish community comes together to celebrate the mystery of our faith - the death and resurrection of Our Lord Jesus Christ. People gather in prayer and praise of God, and to seek God's help and forgiveness. Anyone is welcome to attend services, or just to take a moment in a sacred space for peace and stillness in order to pray and there is no question of any fee or charge.

We also celebrate the sacraments, primarily within each parish community. Many of these are linked to the milestones in people's lives. At Baptism an individual becomes part of the body of Christ, and part of the Church. From their First Communion they are able to take part fully in the Eucharist. Confirmation affirms them in their faith and normally takes place at adolescence. In Marriage the individual forms a covenant with their partner. The Anointing of the Sick, and the Sacrament of Reconciliation are the two sacraments of healing, and through Holy Orders ordination as a priest or deacon is conferred.

The parish priests and clergy guide each parish community, under the authority of the Bishop, who is our shepherd and teacher. Many parish buildings are also used for social events and activities that benefit the wider community.

Through Diocesan Agencies a wide range of services are supported by the Diocese. For example, the Diocesan Schools' Department assists the work of the Voluntary Aided Catholic, and Catholic Voluntary Academy, schools in the Diocese, through training, guidance and advice to headteachers and governors. This includes the development and monitoring of religious education, the Section 48 inspection of schools, advising on the appointment of senior staff and succession planning, planning of school places and the maintenance and provision of school buildings. The department works closely with the four councils and two county councils that cover the Diocese and the Governors of Voluntary Aided Schools, and the Directors of the Academy Trusts. Through the Diocesan Schools' Building Fund, grants are made to Voluntary Aided governing bodies towards the capital cost of school buildings. Each school is an exempt charity, and maintained schools and Catholic Voluntary Academies provide education free of charge. Whilst these schools are not part of the charity, the Diocese plays a key role in supporting them and this has an enormous impact on all their pupils, regardless of whether or not they have any religious affiliation.

Diocesan Organisations, such as St. Wilfrid's Centre, provide a further opportunity for the Church to reach out to the wider community. St. Wilfrid's Centre gives practical help and support to homeless and vulnerable people who experience the burden of social exclusion. Most of its clients are affected by homelessness, poverty, mental health needs, addiction, extreme isolation and institutionalisation. It welcomes all, without distinction of race, national origin, sex, sexual orientation, or political, religious or other opinions. Projects such as this are one way in which the Diocese tries to meet Christ's commandment to "*Love your neighbour as yourself*".

The Members of the Finance Board confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

ACHIEVEMENTS & PERFORMANCE

The primary area that the Charity seeks to fulfil its objectives is through its 51 parishes. They do not exist as independent congregations, and it is the parishes together with diocesan agencies and organisations that together make up the charity. As a result of pastoral work and preparations in these parishes in 2021 there were 543 baptisms, 35 receptions into the Church, 86 marriages and 546 funerals. There were also 540 children receiving their First Communion and 196 Confirmations.

The normal activities of the Charity continued to be disrupted by the impact of the Covid-19 pandemic. For part of the year services continued to be live streamed in some churches and the parish WhatsApp, Zoom and Facebook contact was the alternative support method. As lockdown was relaxed we were able to celebrate key services in person. Parishes undertook a huge logistical effort to ensure that attending services complied with national guidelines. Numbers attending services were restricted which meant that those parishes that had reopened used booking systems to allocate places. Churches and seating were reconfigured to ensure that social distancing regulations were observed. Our parishes, like many public places and shops incurred additional costs in providing sanitising equipment. It would be appropriate to acknowledge the huge effort made by parish volunteers in cleaning churches to make them safe and the commitment shown by those organising booking systems and stewarding services.

As the year progressed there was a gradual return to normality. The diocese was successful in finding a buyer for St Anne's Burghwallis which had been for sale for several years. The Trustees were gearing up to resuming pre-pandemic levels of activity. The decision was taken to change the model of Youth Ministry to a focus on 11-18 year olds in the parishes and the schools. The diocese was successful in recruiting an experienced Youth Ministry professional, Sue McDonald to lead the development.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2021

Activities that take place outside of the parishes are defined as “Curial”. These consist of Diocesan Agencies and Diocesan Organisations who work alongside parishes in fulfilling the objects of the Charity and the mission of the Church.

Diocesan Agencies work under the direct supervision of the Bishop and Finance Board to meet specific pastoral, administrative or liturgical needs identified by the Bishop. Budgets are set and they are encouraged to generate income wherever feasible, and such income is detailed in Note 4 of the financial statements. The net cost of Diocesan Agencies is met initially by income from Diocesan investments and the balance is “assessed” on the Parishes through the “Parish Assessment”.

Diocesan Agencies and other expenditure funded by assessment include:-

- Bishop of Hallam’s Office
- Schools’ Department
- Adult Formation
- Property Management Department
- Young Adults Ministry & University Chaplaincies (University of Sheffield & Sheffield Hallam University)
- Finance Department
- Tribunal
- Youth Ministry
- Safeguarding
- Hallam Pastoral Centre
- National Levies – CaTEW Bishops’ Conference of England & Wales, CES, etc.
- Professional fees
- Diocesan Grants
- Historic Churches Committee & Diocesan Archivist

Diocesan Organisations are not financed through Parish Assessments, and are self-financing, although a number of these projects rely on the generosity of Parishes and parishioners. Their gross income is detailed in Note 4. The income and expenditure of these projects forms a substantial part of “Curial” activities. They include:-

- Caritas Hallam – Marriage & Family Life, Children & Family Support, Pastoral Care for Deaf People, and Carmel Care
- St. Wilfrid’s Centre – a project supporting homeless and vulnerable people
- St. Wilfrid’s Place - providing short-term residential accommodation to vulnerable people
- Diocesan Pilgrimage to Lourdes
- Diocesan Pilgrimage to Walsingham
- Diocesan Pilgrimage to Padley
- Youth activities
- Justice & Peace Commission

Across all the diocese of England & Wales the variously named Caring Services all adopted a standardised title of Caritas. Caritas Hallam was successfully launched, unifying it not only with the diocese of this country but with the Caritas organisation worldwide. Caritas would provide an umbrella for ideas and the sharing of good practise. The work undertaken by Caritas Hallam continued to grow with a growing demand for mental health and counselling services in both schools and parishes.

FINANCIAL REVIEW

PARISH ACTIVITIES

Parish Offertory Collections (excluding Gift Aid) amounted to £1,597,298 compared to £1,433,604 in 2020, an increase of 11% but this follows a decrease of 20% in 2020. The average giving per person for 2021 by reference to attendance is calculated at £5.06 (£7.59 per week 2020) but this is not an accurate measure since many parishioners did not attend in person (often worshipping online) but continued to donate. Parish collections and other voluntary income represented 73% of total gross parish income (2020: 69%) . Gift Aid tax recoverable from H.M. Revenue & Customs totalled £265,744 in 2021 (2020: £280,808), a decrease of a further 5% following a reduction of 16% in 2020.

Parishes received legacies of £214,039 in 2021 (2020: £246,023). The use of parish halls and other functional property in the year increased, but was still quite limited for part of the year because of Covid-19, - income from functional property was £111,787, an increase of 11% following a decrease of 59% in 2020. The income from parish investment properties was largely the same in 2021 - £317,491 compared to £328,305.

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The cost of parish property repairs continued to be a significant area of parish expenditure, amounting to £773,004 in 2021 (2020: £614,667).

Invoices for major improvements and new buildings are paid centrally by the Diocese, and charged to the appropriate parish's "Parish Ledger" account with the Diocese. Expenditure on new buildings and major expenditure that is considered to extend the life of existing properties is capitalised and depreciated. Similarly, assets with a cost of over £2,500 are capitalised and depreciated over their estimated useful lives. All legal fees and agents' costs are added to the costs of the asset.

Major projects in 2021 included:-

- ❑ **St. Joseph's Wath upon Dearne** – The Finance Board gave approval in 2020 to plans to improve the Presbytery living accommodation and disabled access to the Church. The final tranche of work was completed in December 2021 (£13,230) bringing the total cost to £256,048.
- ❑ **St. Vincent's, Sheffield** – Work commenced in 2020 to extend the Presbytery. The balance of the work was completed in 2021 at a cost of £39,918 bringing the total cost to £122,624
- ❑ **St. Peter-in-Chains, Doncaster** – The Church boiler was replaced in 2021 at a cost of £32,879 and the car park was resurfaced at a cost of £53,939.
- ❑ **Mother of God, Sheffield** – The Church organ was restored at a total cost of £27,424.
- ❑ **St. William's, Sheffield** – The sculptures commissioned by the parish were completed in 2021 at a further cost of £34,074.
- ❑ **Our Lady Queen of Peace, Chesterfield**– Initial plans were prepared for the re-ordering of the Parish Centre at a cost of £26,432.
- ❑ **St. Mary's Edlington** – Repairs were carried out to the Church roof to the value of £24,000.
- ❑ **Our Lady of the Assumption, Stainforth** -The Church boiler was replaced at a cost of £8,100.

During the year, the former presbytery at Blessed Trinity, Wickersley, which had been let out as an investment property was sold for £296,238 net of costs, with a realised gain on disposal of £36,238.

Before unrealised gains on investments, Parish Assessments and other transfers the Parishes cumulatively resulted in a deficit of £76,245 (2020 £173,061 deficit and a surplus of £471,735 in 2019). Changes in the value of parish investment during the year increased Parish Funds by £39,642 making the net deficit before internal transfers £36,603 (2020: £156,447 deficit). Parish Assessments of £542,410 (a reduction from £555,206 in 2020 and £696,872 in 2019), the Sick & Retired Clergy Levy of £14,812, and other internal transfers, reduced this to an overall net decrease of Parish funds of £600,267 (2020: decrease of £847,134).

Total Parish funds carried forward at 31st December 2021 amounted to £25,547,125 of which £17,337,686 was tied-up in functional property and other fixed assets in everyday use by parishes for charitable purposes.

CURIAL ACTIVITIES

Total Curial income increased by 7% in 2021. Grant income decreased by 10% but this was mainly due to the reduced level of CJRS Government Grant claimed in 2021 compared to 2020. Income from Charitable Activities was at similar levels to those in 2020.

Burghwallis Hall (known as St. Anne's Rest Home until its closure in 2015) was sold in 2021 for £620,000 less costs of sale. The result is a realised gain, over the written down value, of £116,477 although it should be noted that there were considerable costs involved in repairs and security during the 7 years between closure and disposal.

Expenditure on Raising Funds was in line with those of the 2021 year. Investment Management costs of £31,262 were 21% higher than 2020.

There was a net Curial surplus after expenditure and transfers, of £239,045 compared to a net deficit in 2020 of £168,151.

Total Curial funds carried forward as at 31st December 2021 amounted to £8,830,843, of which £3,958,013 is reflected in tangible fixed assets.

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ANNUAL REPORT (Continued) Year Ended 31st December 2021

SUMMARY

The summary below gives an indication of the financial activities of the Diocese.

| <u>Parishes</u> | 2021 £ | 2020 £ |
|--|-------------------------|-------------------------|
| Income | 3,076,217 | 2,990,271 |
| Deduct: Expenditure | (3,152,462) | (3,163,332) |
| Investment Gains/(Losses) | <u>39,642</u> | <u>16,614</u> |
| (Deficit)/Surplus before Parish Assessment | <u>(36,603)</u> | <u>(156,447)</u> |
| Parish Assessment and other transfers | <u>(563,664)</u> | <u>(690,687)</u> |
| (Decrease)/Increase in reserves | <u><u>(600,267)</u></u> | <u><u>(847,134)</u></u> |
| <u>Curia</u> | | |
| Parish Assessment and other transfers | 563,664 | 690,687 |
| Other income | <u>1,299,360</u> | <u>1,211,015</u> |
| Total income | <u>1,863,024</u> | <u>1,901,702</u> |
| Deduct: Expenditure | <u>(2,008,696)</u> | <u>(2,082,584)</u> |
| Investment Gains/(Losses) | <u>384,717</u> | <u>12,731</u> |
| Increase/(Decrease) in reserves | <u><u>239,045</u></u> | <u><u>(168,151)</u></u> |

GOING CONCERN

The Charity's activities, together with the factors likely to affect its future development, principal risks and uncertainties facing the Charity and its availability of unencumbered cash reserves are set out in this Annual Report. Its financial position in terms of the year's results, its assets and liabilities, and movement in cash are set out in the principal financial statements on pages 13 to 16. The Trustees have considered the charity's operations for the next 12 months, as required. The charity has sufficient financial resources, mainly in the form of cash, investments, and property, to meet its obligations. There are no material uncertainties about the Charity's ability to continue as a going concern and it is well placed to manage the various risks identified. The Trustee therefore has a reasonable expectation that the Charity has adequate resources to continue its operations for the foreseeable future. Accordingly the going concern basis continues to be adopted in the preparation of the Annual Report and Accounts.

RESERVES

The Finance Board considers that unrestricted reserves equivalent to two years' charitable expenditure for both Parish and Curial reserves are required. In addition to recurring expenditure the Finance Board acknowledges that, in some areas, income is difficult to sustain, and has identified a number of long-term funding requirements including improvement and repair of functional property, clergy retirement and training and formation for which some funds have been designated.

The total Parish Funds at 31st December 2021 amounted to £25,547,125 of which £5,494,543 are restricted and £13,203,209 designated funds

The majority of Parish Funds (£17,337,686) are represented by the functional properties (Churches, Halls, Presbyteries) and other fixed assets, which are integral to the operation of the Charity. The free Parish reserves of £6,849,273 represent around 26 months' Parish expenditure, which is above the 24 months' reserves considered to be required for parishes because of the long-term nature of their operations. Expenditure, however, was still significantly less due to the impact of Covid-19 and prolonged closure of Churches, etc. and the Finance Board anticipates that reserves will return within the required level in the near future.

The total Curial funds as at 31st December 2021 amounted to £8,830,843 of which £2,016,163 is restricted for specific purposes. Of the remaining £6,814,680 unrestricted curial funds, £2,439,549, reflected the value of functional property and other fixed assets. The general reserves of £3,748,062 represent just over 22 months' Curial expenditure which is less than the 24 months' reserves considered to be required because of the long-term nature of the charity's operations (an increase from 19 months' in 2020). The Finance Board acknowledges that Curial funds held are below the charity's reserve levels and continue to take action to address this.

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ANNUAL REPORT (Continued) Year Ended 31st December 2021

INVESTMENT POLICY & PERFORMANCE

Under the trust deed of the Charity, the Trustee may invest, with the consent of the Bishop of Hallam, any money in any manner authorised by law (i.e. the Trustee Act 2000). In 2021 the investment portfolios continued to be managed on a discretionary basis by the investment managers, Investec Wealth and Investment Ltd. The portfolios are managed in line with the ethical investment policy of the Trustees, which is consistent with Church teaching and the Catholic faith. The performance of all of the funds was positive during the year. The performance of the main portfolio and other funds were all in line, or above, the benchmark, which is pleasing given the continued market uncertainty.

| | Total Return % | Total Return Benchmark % |
|----------------------------|-------------------------------|---|
| Main Portfolio | +12.40 | +12.48 |
| Caritas Hallam Fund | +13.68 | +12.48 |
| Sick & Retired Clergy Fund | +12.49 | +12.48 |
| Priests' Training Fund | +10.98 | +7.53 |

RISK ASSESSMENT

The Finance Board has assessed the major risks to which the Charity is exposed, in particular those related to the operation, investment and finances of the Trust. By monitoring the level of reserves, ensuring control over financial systems and by examining the operational risks faced by the Charity, the Finance Board believes that effective systems have been established to mitigate those risks.

FUND-RAISING

The charity undertakes small scale fund-raising, and applications to charitable trusts for grants. Most fund-raising builds on the connection people have with the Church through their parish and there are no direct appeals by telephone or mailshot to individuals. The charity does not engage professional fund-raisers but does have a part time employee who deals with applications to charitable trusts for grants.

PLANS FOR FUTURE PERIODS

In tandem with the government Independent Inquiry into Child Sexual Abuse (IICSA) the Bishops of England and Wales launched a review into the provision of Safeguarding in the Church led by Ian Elliott. The Elliott Review made key recommendations on how safeguarding is organised and delivered with diocese. The Elliott Review also recommended the creation of a new independent regulatory body Catholic Safeguarding Standards Agency (CSSA). The Diocese will be adopting all the recommendations of the Elliott Review and will be working through the practical implications to achieve this. The Diocese will be engaging with and supporting the work of the CSSA.

The Trustees have approved the application to support a refugee family coming to the Diocese under the government Community Sponsorship Programme. A group of volunteers from several parishes with a nominated Trustee champion are working through the requirements to support a family with challenging health issues.

THIRD PARTY COLLECTIONS

Parishes in the Diocese supported a wide range of charities by allowing, and often organising, Third Party Collections. However, since these funds are not under the control of Diocese of Hallam Trustee, these collections are not included in the results and balances of the Charity. Balances held at 31st December 2021 for third party charities are included in Creditors.

GRANTS

Curial and Parish grants paid out in 2021 included:-

| | |
|--|---------|
| Camino Grant | £39,000 |
| Catholic Trust for England & Wales (CaTEW) | £23,978 |
| Catholic Education Service (CES) | £17,558 |
| Catholic Safeguarding Standards Authority (CSSA) | £6,252 |
| Holy Family Manenberg, South Africa | £5,017 |
| St. Anthony's, Langa, South Africa | £5,017 |

The grants made are all in furtherance of the Charity's objects.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT (Continued) Year Ended 31st December 2021

KEY MANAGEMENT PERSONNEL

The key management personnel of the Diocese comprises the Director of Finance and the Directors of Schools (Primary and Secondary). Remuneration for key management personnel is set by the Salaries Sub-Committee, taking into consideration the market rates for similar roles and is periodically reviewed in order to recognise and reward outstanding performance.

RISK MANAGEMENT

The Trustee has overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. The Audit Sub-Committee review, annually, the risks facing the charity which can be categorised into broad headings including (1) Safeguarding (2) Ageing Clergy (3) Education (4) Financial (5) Governance.

- **Safeguarding** - Being loved and being kept safe go to the very core of the Church's ministry. The safeguarding of children and adults at risk is of paramount importance to the Diocese. Failing to prevent abuse of the vulnerable has serious repercussions for the individual, the mission of the Church and the Diocese. To mitigate this risk the Diocese follows the policies and procedures put in place by the Catholic Safeguarding Standards Authority (CSSA) which are enforced by the Safeguarding department. The department promotes a safe recruitment policy and provides training across the diocese to reinforce safeguarding procedures. They also respond to any allegation, past or present, of inappropriate behaviour or actual abuse by any member or person working for the Charity, paid or unpaid, liaising with the police and other statutory authorities. An independent Safeguarding Commission oversees the work of the Safeguarding department in this respect. The Diocese of Hallam is committed to the promotion of a "one Church approach" to the safeguarding of children and adults at risk and the promotion of a culture of safeguarding throughout the Charity.
- **Ageing Clergy** - The number of clergy in the Diocese has decreased significantly in recent years, and the age profile of those in active ministry is rising. In addition, the number of priests who have retired from active ministry is increasing. The structure of parishes in each Deanery is under review and a policy and strategy to provide support for ageing clergy.
- **Education** - The Charity contributes to the education provided in the 47 Voluntary Aided and Catholic Voluntary Academy Schools in the Diocese (40 Primary Schools, 6 Secondary, 1 3-16 School). One of the risks identified is the potential underperformance of diocesan schools. The Schools Department monitors the performance of all schools and provides support where necessary. Overall, the number of schools judged by Ofsted as "Good" has increased. Schools that are judged "Required Improvement" or are at risk of under performance receive support from other schools in the Diocese as well as from diocesan officers and consultants. On behalf of the Bishop, the Schools Department retains canonical oversight of diocesan schools in maintaining Catholic ethos and undertakes the Section 48 Inspections.

The Trustees have created a Catholic Multi Academy Trust (CMAT) Development Group to start the work of building the structures necessary for ensuring all schools in the diocese can join a CMAT. The Trustees engaged the services of an experienced team of specialists who have worked with other Catholic Diocese and CMATs on similar projects. This team are supported by the offices of the Diocese and Trustee representatives as new boards of CMAT directors are recruited.

- **Financial** - Although the financial position of the Charity is stable, financing the current level of expenditure is an identified risk at a time when income from investments (e.g. interest) is limited and voluntary donations (in the form of Parish Offertories) have started to fall. In common with most other Catholic dioceses, Mass attendance is falling. In light of this, expenditure is being reviewed, particularly in terms of Parish Property Repairs, and expenditure by Diocesan Departments is being reviewed individually by a Sub-Committee of Trustees, and budgets reviewed, since this is financed by Parish Assessment. The financing of expenditure on formation of priests and support of Sick & Retired Clergy is also under review.
- **Governance** – As with other dioceses, the structure of the diocese is such that the administration of parishes (in civil law) is undertaken by parish priests under the delegated authority of the Trustee. Their activities, however, remain the responsibility of the Trustee. Systems and controls are in place to monitor these activities, particularly in relation to statutory and regulatory compliance including Employment, Safeguarding, Health & Safety, Property Maintenance and Finance.

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ANNUAL REPORT (Continued) Year Ended 31st December 2021

CONNECTED CHARITIES

The Diocese encompasses 47 Catholic schools. Each of the schools is an exempt charity under the Charities Act 2011, and the activities of Diocesan schools are not reflected in the financial statements. The Bishop of Hallam appoints Foundation Governors/Directors to the Governing Bodies of Catholic Schools/Academy Trusts, and Foundation Governors/Directors form a majority on each body, but schools are not branches of the Diocese. The addresses of the Catholic Schools in the Diocese are detailed in the Diocesan Year Book and diocesan website. The Bishop of Hallam, the Directors of Schools and Diocese of Hallam Trustee are Members of Diocese of Hallam Schools' Partnership (Company Registration Number 08099518). Diocese of Hallam Trustee is also Trustee of St. Michael's Roman Catholic Church and Presbytery, Hathersage.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

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

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

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed dated 28th October 1981 (as varied 20th July 2006). The Trustee is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Finance Board of Diocese of Hallam Trustee on 27th February 2023 and signed as authorised by:-

E.J. Whittaker
Secretary and Director of Finance

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST**

Opinion

We have audited the financial statements of the Roman Catholic Diocese of Hallam Trust for the year ended 31 December 2021 as detailed on pages 13 to 32, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of the charity's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with the 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. 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 consistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the charity; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

Responsibilities of the Trustee for the financial statements

As explained more fully in the Trustee's Responsibilities Statement set out on page 9, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Extent to which the audit was considered capable of detecting irregularities including fraud

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements and looking how fraud may occur by enquiring with management as to its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of the discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of material adjusting journals and key estimates and judgements by management.

We gained an understanding of legal and regularity framework applicable to the charity and the sector in which it operates, drawing on our audit experience and knowledge of the charity and its sector, and considered the risk of acts by the charity that were contrary to these laws and regulations that could give rise to a material misstatement in the financial statements, including but not limited to:-

The Charities Act 2011
Charities (Accounts and Reports) Regulations 2008
Guidance issued by the Charity Commission for England & Wales
UK Health & Safety legislation
UK employment legislation

We also made enquiries with the Trustee with regards to compliance with the above laws and regulations and obtained any necessary evidence to corroborate the information provided, for example minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising

We have identified revenue recognition, management override and completeness of related party transactions as key audit matters relating to irregularities, including fraud.

We have evaluated the Trustee and its management's incentives for fraudulent manipulation of the financial statements, including the risk of management overriding controls, and identified that the principal risks relate to management bias in accounting estimates and judgmental areas of the financial statements such as revenue recognition.

The following audit work was undertaken in response to the risks identified:

- Enquiry of management, those charged with governance, and the charity's solicitors around actual and potential litigation and claims
- Enquiry of management to identify any instances of non-compliance with laws and regulations
- Reviewing minutes of meetings of those charged with governance.
- Reviewing key sources of estimation uncertainty testing to supporting documentation, ensuring reasonableness of assumptions and consistently applied.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of significant transactions outside the normal course of the charity's operations.
- Identifying related parties and ensuring transactions are complete and testing to available supporting documentation.
- Reviewing key income sources for completeness and ensuring cut-off has been acceptably applied.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the charity's trustee, Diocese of Hallam Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustee, as a body, for our audit work, for this report, or for the opinions we have formed.

Warrens GBC Ltd
Statutory Auditor
33 Thorne Road,
Doncaster. DN1 2HD

27th February 2023

Warrens GBC Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES : For the Year Ended 31st December 2021

| | PARISHES | | | CURIA | | | 2021 TOTAL £ | 2020 TOTAL £ |
|--|-------------------|------------------|------------------|-------------------|------------------|------------------|--------------------|--------------------|
| | Unrestricted £ | Restricted £ | Total £ | Unrestricted £ | Restricted £ | Total £ | | |
| INCOME FROM: | | | | | | | | |
| Donations & Legacies | | | | | | | | |
| Collections and Donations | 2,243,165 | - | 2,243,165 | 141,497 | 44,635 | 186,132 | 2,429,297 | 2,304,573 |
| Legacies | 188,039 | 26,000 | 214,039 | 17,300 | - | 17,300 | 231,339 | 265,523 |
| Grants | 48,063 | 4,075 | 52,138 | 182,067 | 36,200 | 218,267 | 270,405 | 330,001 |
| Charitable Activities | | | | | | | | |
| Income from Charitable Activities | 79,128 | - | 79,128 | 578,529 | 12,590 | 591,119 | 670,247 | 653,385 |
| Other Trading Activities | | | | | | | | |
| Fundraising - Events | 53,830 | - | 53,830 | 4,993 | - | 4,993 | 58,823 | 83,104 |
| - Lettings | 111,787 | - | 111,787 | 17,579 | 4,200 | 21,779 | 133,566 | 112,388 |
| Investment Income | | | | | | | | |
| Rental Income from Investment Properties | 317,491 | - | 317,491 | - | - | - | 317,491 | 328,305 |
| Other Investment Income | 189 | 4,450 | 4,639 | 119,964 | 23,329 | 143,293 | 147,932 | 117,007 |
| Other Income | | | | | | | | |
| Gain on disposal of Fixed Assets | - | - | - | 116,477 | - | 116,477 | 116,477 | 7,000 |
| TOTAL | 3,041,692 | 34,525 | 3,076,217 | 1,178,406 | 120,954 | 1,299,360 | 4,375,577 | 4,201,286 |
| EXPENDITURE ON: | | | | | | | | |
| Raising Funds | | | | | | | | |
| Charitable Activities | 63,455 | - | 63,455 | 36,437 | 7,419 | 43,856 | 107,311 | 91,152 |
| Other | 2,924,990 | 164,017 | 3,089,007 | 1,595,861 | 368,979 | 1,964,840 | 5,053,847 | 5,154,764 |
| TOTAL | 2,988,445 | 164,017 | 3,152,462 | 1,632,298 | 376,398 | 2,008,696 | 5,161,158 | 5,245,916 |
| Net Gains/(Losses) on investments | 36,238 | 3,404 | 39,642 | 291,545 | 93,172 | 384,717 | 424,359 | 29,345 |
| NET INCOME/(EXPENDITURE) | 89,485 | (126,088) | (36,603) | (162,347) | (162,272) | (324,619) | (361,222) | (1,015,285) |

STATEMENT OF FINANCIAL ACTIVITIES : For the Year Ended 31st December 2021

| | PARISHES | | | CURIA | | | 2021 TOTAL £ | 2020 TOTAL £ |
|--------------------------------------|-------------------|------------------|-------------------|-------------------|------------------|------------------|--------------------|--------------------|
| | Unrestricted £ | Restricted £ | Total £ | Unrestricted £ | Restricted £ | Total £ | | |
| NET INCOME/(EXPENDITURE) B/F | 89,485 | (126,088) | (36,603) | (162,347) | (162,272) | (324,619) | (361,222) | (1,015,285) |
| Transfers between Funds: | | | | | | | | |
| Parish Assessments | (528,985) | (13,425) | (542,410) | 542,410 | - | 542,410 | - | - |
| Other Transfers | (21,254) | - | (21,254) | 6,442 | 14,812 | 21,254 | - | - |
| NET MOVEMENT IN FUNDS | (460,754) | (139,513) | (600,267) | 386,505 | (147,460) | 239,045 | (361,222) | (1,015,285) |
| Fund Balances brought forward | 20,513,336 | 5,634,056 | 26,147,392 | 6,428,175 | 2,163,623 | 8,591,798 | 34,739,190 | 35,754,475 |
| Fund Balances carried forward | 20,052,582 | 5,494,543 | 25,547,125 | 6,814,680 | 2,016,163 | 8,830,843 | 34,377,968 | 34,739,190 |

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DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

BALANCE SHEET AS AT 31st DECEMBER 2021

| | <u>Note</u> | 2021 | | | 2020 | | |
|--------------------------------------|-------------|-----------------|--------------|--------------|-----------------|--------------|--------------|
| | | Parishes | Curia | Total | Parishes | Curia | Total |
| | | £ | £ | £ | £ | £ | £ |
| FIXED ASSETS | | | | | | | |
| Tangible Fixed Assets | 12 | 17,337,686 | 3,958,013 | 21,295,699 | 18,037,634 | 4,564,355 | 22,601,989 |
| Investments | 13 | 3,261,846 | 4,288,409 | 7,550,255 | 3,460,442 | 3,929,146 | 7,389,588 |
| | | 20,599,532 | 8,246,422 | 28,845,954 | 21,498,076 | 8,493,501 | 29,991,577 |
| | | 20,599,532 | 8,246,422 | 28,845,954 | 21,498,076 | 8,493,501 | 29,991,577 |
| CURRENT ASSETS | | | | | | | |
| Debtors | 14 | 130,681 | 475,474 | 606,155 | 130,953 | 348,066 | 479,019 |
| Cash at Bank & on Deposit | | 1,460,742 | 4,237,540 | 5,698,282 | 1,179,065 | 4,213,400 | 5,392,465 |
| | | 1,591,423 | 4,713,014 | 6,304,437 | 1,310,018 | 4,561,466 | 5,871,484 |
| | | 1,591,423 | 4,713,014 | 6,304,437 | 1,310,018 | 4,561,466 | 5,871,484 |
| LIABILITIES: | | | | | | | |
| Amounts falling due within one year | 15 | (147,586) | (624,837) | (772,423) | (85,870) | (1,038,001) | (1,123,871) |
| | | (147,586) | (624,837) | (772,423) | (85,870) | (1,038,001) | (1,123,871) |
| | | (147,586) | (624,837) | (772,423) | (85,870) | (1,038,001) | (1,123,871) |
| NET CURRENT ASSETS | | | | | | | |
| | | 1,443,837 | 4,088,177 | 5,532,014 | 1,224,148 | 3,523,465 | 4,747,613 |
| | | 1,443,837 | 4,088,177 | 5,532,014 | 1,224,148 | 3,523,465 | 4,747,613 |
| PARISH LOAN ACCOUNTS | | | | | | | |
| Loans to Parishes | | (2,689,439) | 2,689,439 | - | (2,602,217) | 2,602,217 | - |
| Parish Deposits | | 6,193,195 | (6,193,195) | - | 6,027,385 | (6,027,385) | - |
| | | (2,689,439) | 2,689,439 | - | (2,602,217) | 2,602,217 | - |
| | | (2,689,439) | 2,689,439 | - | (2,602,217) | 2,602,217 | - |
| TOTAL NET ASSETS | | | | | | | |
| | | 25,547,125 | 8,830,843 | 34,377,968 | 26,147,392 | 8,591,798 | 34,739,190 |
| | | 25,547,125 | 8,830,843 | 34,377,968 | 26,147,392 | 8,591,798 | 34,739,190 |
| REPRESENTED BY INCOME FUNDS:- | | | | | | | |
| Restricted Funds | 16 | 5,494,543 | 2,016,163 | 7,510,706 | 5,634,056 | 2,163,623 | 7,797,679 |
| Unrestricted Funds | | | | | | | |
| Designated Funds | 17 | 13,203,309 | 3,066,618 | 16,269,927 | 13,751,989 | 3,056,592 | 16,808,581 |
| Other Unrestricted Funds | 17 | 6,849,273 | 3,748,062 | 10,597,335 | 6,761,347 | 3,371,583 | 10,132,930 |
| | 18 | 25,547,125 | 8,830,843 | 34,377,968 | 26,147,392 | 8,591,798 | 34,739,190 |
| | | 25,547,125 | 8,830,843 | 34,377,968 | 26,147,392 | 8,591,798 | 34,739,190 |

The financial statements on pages 13 to 32 were approved by the Finance Board of Diocese of Hallam Trustee, as sole Trustee on 27th February 2023 and signed on its behalf by:-

The Right Reverend Ralph Heskett, C.Ss.R.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

CASH FLOW STATEMENT

For the Year Ended 31st December 2021

| | £ | 2021 £ | £ | 2020 £ |
|--|-----------|------------------|-------------|------------------|
| Net Cash (outflow)/inflow from operating activities (Note a) | | (476,214) | | 293,281 |
| Returns on investments and servicing of finance | | | | |
| Dividends and interest received | 86,976 | | 91,645 | |
| Purchase of tangible fixed assets | (174,161) | | (667,706) | |
| Purchase of investments | (224,275) | | (1,268,003) | |
| Proceeds from sale of fixed assets | 605,524 | | 7,000 | |
| Proceeds from sale of investments | 487,967 | 782,031 | 1,310,975 | (526,089) |
| Increase/(Decrease) in cash | | 305,817 | | (232,808) |
| Reconciliation of Net Cash flow to movements in net funds | | | | |
| Increase/(Decrease) in cash in the period | | 305,817 | | (232,808) |
| Cash Funds at 1 st January 2021 | | 5,392,465 | | 5,625,273 |
| Cash Funds at 31 st December 2021 | | 5,698,282 | | 5,392,465 |

The charity has no disclosable debt, and consequently the cash at bank and in hand, is also the net debt/funds reconciliation.

Notes to the Cash flow Statement

a) Reconciliation of net (outgoing)/incoming resources to net cash inflow/(outflow) from operating activities:-

| | 2021 £ | | 2020 £ |
|------------------------------------|------------------|--|----------------|
| Net incoming/ (outgoing) resources | (361,222) | | (1,015,285) |
| Dividends & interest received | (86,959) | | (91,645) |
| Depreciation | 945,143 | | 951,511 |
| (Increase)/Decrease in Debtors | (127,153) | | (77,339) |
| Increase/(Decrease) in Creditors | (305,187) | | 562,384 |
| Profit on disposal of fixed assets | (116,477) | | (7,000) |
| Net (Gains)/Losses on Investments | (424,359) | | (29,345) |
| | (476,214) | | 293,281 |

b) Changes in cash and cash equivalents

| | 2021 £ | 2020 £ | Change in year £ |
|--------------------------------------|-----------|-----------|---------------------|
| Cash at Bank and Short Term Deposits | 5,698,282 | 5,392,465 | 305,817 |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

1 The financial statements principally reflect the incoming resources and application of resources of the main charity, Roman Catholic Diocese of Hallam Trust and include Parishes, Diocesan Agencies, and Diocesan Organisations. The financial statements also reflect a number of small individual parish trusts and separately registered diocesan charities, which are under the control of Diocese of Hallam Trustee, including the J.J. Eyre Funds and St. Charles Charity (Charity Registration No. 1049619).

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the accounting policies set out below and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102).

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments and are presented in sterling, which is also the functional currency of the charity.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs) except for those financial assets classified as at fair value through the Statement of Financial Activities, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when, and only when, a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debtors

Short term debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

Creditors

Short-term creditors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires the Trustee to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise.

Significant judgements

In the course of preparing the financial statements, the following significant judgements have been made in the process of applying the charity's accounting policies:-

- assessing the probability of the receipt of legacy income;
- assessing the appropriateness of the assumptions and methodology used in determining the fair value of investment properties;
- determining the value of the designated funds needed at the year end to meet specific future expenditure;

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and by their nature, will rarely equal the related actual outcome. The charity does not have any key assumptions concerning the future, or other key sources of estimation uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Notwithstanding this, the charity is required to make estimates as detailed below:

- estimating the accrued expenditure including employees' accrued holiday pay;
- estimating the useful economic life of tangible fixed assets to determine a depreciation charge;
- estimating the cost of the functional fixed assets, including property, that were held at 31st December 1996;

Assessment of Going Concern

The Trustee considers that there are no material uncertainties about the trust's ability to continue as a going concern.

Income

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations

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 by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the Balance Sheet as deferred income to be released.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

2.2 Fund Accounting

Diocesan activities fall into two categories:

- Parishes - transactions relating to individual Parishes within the Diocese.
- Curia - transactions concerning the Diocese as a whole.

The Funds of the charity are analysed into Restricted and Unrestricted Funds.

Restricted Funds represent amounts received for a specified purpose which had not been expended at the Balance Sheet date. Parish property subject to a Special Trust is also reflected in the Restricted Fund balances.

Unrestricted Funds represent amounts available for the general purposes of the charity. Within Unrestricted Funds, Designated Funds reflect the amounts set-aside for particular projects or purposes, but which may be spent for other general charitable purposes.

The Statement of Financial Activities details Parish and Curial incoming resources and resources expended, analysed between Unrestricted and Restricted Funds.

Parish Income is, under Canon Law, under the control and direction of the Parish Priest who exercises his ministry under the authority of the Bishop. Although the Finance Board of Diocese of Hallam Trustee has ultimate responsibility under civil law for these funds, the juridical person who holds Parish Funds is the Parish Priest, and these funds are unrestricted only in terms of their use within the individual parish.

2.3 Tangible Fixed Assets

Freehold and Leasehold Land and Buildings

(a) Functional Land and Buildings

Churches, Presbyteries, Church Halls, Offices, etc.

i) Freehold Land

Functional Land, (i.e. land used for the prime purpose of the Charity), is included in the financial statements at original cost, or where this is not available at an estimate of its historic cost (or in the case of donated land or land acquired at nil cost, at its fair value at the date of receipt). Freehold land is not depreciated because it has an indefinitely long useful life.

ii) Freehold Buildings

Functional Buildings (i.e. buildings used for the prime purpose of the Charity), which are still in use by the Charity are included in the financial statements at original cost, or in the case of buildings transferred at nil cost on the formation of the Diocese, at an estimate of their fair value at the date of acquisition. All new functional buildings, improvements and major renovations are capitalised at the cost of construction.

Buildings which were in use at 31st December 1996, and additions since that date, are depreciated at rates calculated to write off their estimated historic cost (less the estimated residual value) evenly over the whole of their useful life.

The estimate of the useful life of a building varies depending on the condition and future use of the building. However, in general it is expected that a building in a reasonable state of repair will continue in use without major renovations or improvements for the following period:

| | | |
|-----|-------------------------------|------------------|
| (a) | Unlisted Churches | 25 to 100 years |
| (b) | Cathedral and Listed Churches | 100 to 200 years |
| (c) | Presbyteries | 25 to 50 years |
| (d) | Burghwallis Hall | 100 years |
| (e) | Other buildings | 10 to 75 years |

Depreciation rates are calculated using the age of the building and its expected useful life.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

Padley Martyrs Chapel, Grindleford, Derbyshire is not depreciated because it was built c.1400, is a Grade I listed building and is considered to have an extraordinary long life that cannot be determined. The charity does not recognise this heritage asset in its Balance Sheet as details of its cost and initial valuation are not held, given the nature of the asset and its longevity. The cost of obtaining a value is not commensurate with any benefit to the users of the accounts and given the religious nature of the asset it is extremely unlikely that the monetary value (from sale) will ever be recognised by the charity. The cost of obtaining a valuation has been considered by the charity and it believes it is not justified by the usefulness of the information to the users of the accounts.

iii) Leasehold Land and Buildings

Leasehold land and buildings are depreciated over the life of the lease on a straight-line basis.

Details and addresses of the Diocesan churches and other buildings (both freehold and leasehold) can be found in the Diocesan Year Book.

Voluntary Aided Schools & Catholic Voluntary Academies

i) Land

The charity owns the land on which its Voluntary Aided Schools are built, and the land occupied by Catholic Voluntary Academy Trusts. Each school is an exempt charity under the Charities Act 2011 and occupies the land rent-free. The nature of the occupation of the land by these exempt charities means that the Diocese's Trustee does not have the power to dispose of the land until the school ceases its occupation, which in turn would require the approval of the Governors/Directors and the Secretary of State and may involve the recovery of grant-aid by the DfE. Consequently such land is not in direct use by the charity, does not generate any income, cannot be disposed of on the open market, and cannot be used for any other purpose during the schools' occupation. In view of these restrictions, the Trustee believes the recoverable amount of these assets is nil and they are included at nil valuation.

ii) Buildings

The School buildings are occupied, improved, extended and repaired by the School Governors/Academy Trusts. The nature of the occupation of the buildings by these exempt charities means that the Diocese's Trustee does not have the power to dispose of the buildings until the school ceases its occupation, which in turn would require the approval of the Governors and the Secretary of State and may involve the recovery of grant-aid by the DfE. Consequently such buildings are not in direct use by the charity, do not generate any income, cannot be disposed of on the open market, and cannot be used for any other purpose during the schools' occupation. In view of these restrictions, the Trustee believes the recoverable amount of these assets is nil and they are included at nil valuation.

The School Governors/Academy Trusts account for the building, improvement and repair costs of the schools and account for any grants received in respect of these costs. Grants made by the Diocese through the Diocesan Schools' Building Fund (or occasionally via parishes) to the Governors of Voluntary Aided Schools in order to assist them with their liability for school building costs are charged to the Statement of Financial Activities in the year of payment.

As at 31st December 2021 there were 28 Catholic Voluntary Academies (5 High schools and 23 Primary schools), together with 15 Voluntary Aided Catholic Primary Schools, 1 Voluntary Aided Joint Catholic and Church of England Primary School, 1 Voluntary Aided Catholic High School, 1 Joint Catholic & Church of England Academy primary school and 1 Joint Catholic and Church of England 3-16 Academy in occupation of land and buildings. The charity owns the freehold of 46 of these premises in their entirety, and the freehold and leasehold of one split-site High School. Further details of the Diocesan Voluntary Aided Schools and Catholic Voluntary Academies, are given in the Diocesan Year Book and on the Diocesan website.

(b) Investment Properties and Donated Property awaiting sale.

Investment Properties

Investment properties are shown at the Trustee's best estimate of market value. The majority of the Investment Properties were professionally valued as at 31st December 2016 and all are valued professionally at least every five years. The Investment Properties are spread across the Diocese, and consequently the revaluation was carried out by Burgess Commercial Ltd of Rotherham. The Finance Board of Diocese of Hallam Trustee annually reassesses the value of the investment property portfolio. Any change in value during the year is reported in the "Other Recognised Gains & Losses" section of the Statement of Financial Activities. Further details of the basis of the valuation are given in note 13 to these financial statements. Investment Properties are reflected at market value, therefore no charge for depreciation is made in the financial statements in accordance with accounting standards.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

Fixtures, Fittings and Equipment

Acquisitions with a cost (or fair value in the case of donated items) in excess of £2,500 are capitalised. They are depreciated at rates calculated to write off the cost, less the estimated residual value of each asset evenly over its expected useful life as follows:-

| | |
|--|----------------------|
| Fixtures and Fittings | 10 years |
| Office Equipment | 5 years |
| Computers | 3 years |
| General Equipment | 5 years |
| Church Fixtures & Fittings | 10 to 50 years |
| Presbytery Fixtures & Fittings | 5 to 10 years |
| Residential/Day Centre Furniture & Equipment | 4 to 10 years |
| Motor Vehicles | 20% Reducing Balance |

Works of Art and Historic Treasures

Individual Works of Art, Historic Treasures and Plate are not capitalised as they have extraordinary long lives and are worth preserving perpetually.

2.4 Investments

Investments are stated at their market value as at the Balance Sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

2.5 Foreign currency transactions

The financial statements are presented in Sterling, which is also the functional currency of the charity. Transactions in currencies other than the functional currency of the charity, are recorded at the rate of exchange at the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. All differences are taken to the relevant Support Costs element of the Statement of Financial Activities.

2.6 Pension costs

Contributions towards employee's personal pension schemes and a group personal pension scheme for employees are charged to the Statement of Financial Activities in the year in which they become payable. The Diocese is neither liable to finance any funding shortfall, nor entitled to benefit from any over-funding. During the year contributions were made for one employee to the Teachers' Pension Scheme ("the TPS"), an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Scheme Regulations 2015. The employer's contribution is set by the TPS. As at 31st December 2021 the rate was 23.68% (including a scheme administration levy). The TPS represents a collective scheme and it is not possible to separately identify the assets and liabilities attributable to a particular employer. The Diocese has neither a commitment to make good any actuarial deficit, nor an entitlement to benefit from any over funding. Retirement and other pension benefits are paid by public funds provided by Parliament.

2.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

| 3. Grants | Parishes 2021 £ | Curia 2021 £ | Total 2021 £ | Total 2020 £ |
|--|--------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Government Grant: CJRS [Exceptional item] | 29,904 | 42,717 | 72,621 | 157,830 |
| Government Grant: National Lottery | - | 45,000 | 45,000 | - |
| Other Grants | 22,234 | 130,550 | 152,784 | 172,171 |
| | <u>52,138</u> | <u>218,267</u> | <u>270,405</u> | <u>330,001</u> |
| 4 Income from Charitable Activities | Parishes 2021 £ | Curia 2021 £ | Total 2021 £ | Total 2020 £ |
| Repositories, Bookstalls & Sale of Newspapers | 21,325 | - | 21,325 | 11,268 |
| Chaplaincies | 22,701 | - | 22,701 | 18,558 |
| Other Parish charitable income | 35,102 | - | 35,102 | 35,578 |
| St. Wilfrid's Centre | - | 178,387 | 178,387 | 213,078 |
| St. Wilfrid's Place | - | 81,047 | 81,047 | 73,595 |
| Caritas Hallam | - | 112,400 | 112,400 | 75,273 |
| Schools' Department | - | 212,199 | 212,199 | 219,925 |
| Adult Formation & Mission Courses | - | 3,010 | 3,010 | 1,160 |
| Pastoral Centre | - | 1,236 | 1,236 | 3,760 |
| Tribunal | - | 900 | 900 | 1,190 |
| St. Vincent's MissionHub | - | 1,940 | 1,940 | - |
| | <u>79,128</u> | <u>591,119</u> | <u>670,247</u> | <u>653,385</u> |
| 5. Other Investment Income | Parishes 2021 £ | Curia 2021 £ | Total 2021 £ | Total 2020 £ |
| Interest on cash deposits | 196 | 201 | 397 | 4,326 |
| Listed Investment income and other investment income | 4,443 | 82,119 | 86,562 | 87,319 |
| Member's Award - Catholic National Mutual Ltd | - | 9,013 | 9,013 | 18,359 |
| Member's Award - Inter-Diocesan Fuel Management Ltd | - | 51,960 | 51,960 | 7,003 |
| | <u>4,639</u> | <u>143,293</u> | <u>147,932</u> | <u>117,007</u> |
| 6. Expenditure on Raising Funds | Parishes 2021 £ | Curia 2021 £ | Total 2021 £ | Total 2020 £ |
| Fund-raising costs | 9,821 | 10,020 | 19,841 | 27,212 |
| Bank Charges | 19,623 | 2,574 | 22,197 | 23,161 |
| Investment Management Costs | - | 31,262 | 31,262 | 25,890 |
| Investment Property Management & Expenses | 34,011 | - | 34,011 | 14,889 |
| | <u>63,455</u> | <u>43,856</u> | <u>107,311</u> | <u>91,152</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

7. Charitable Activities

| <u>Parishes</u> | Direct Costs £ | Support Costs £ | Total 2021 £ | Total 2020 £ |
|--|-------------------------------|--------------------------------|-----------------------------|-----------------------------|
| Church Altar & Liturgy | 68,567 | - | 68,567 | 78,007 |
| Parish general running costs | 752,325 | - | 752,325 | 926,459 |
| Property repairs and maintenance | 773,004 | - | 773,004 | 614,667 |
| Clergy costs including travel expenses | 347,957 | - | 347,957 | 336,730 |
| Staff Costs | 226,892 | - | 226,892 | 234,348 |
| Depreciation | 827,848 | - | 827,848 | 816,286 |
| Repository, Bookstall & Newspaper expenses | 21,823 | - | 21,823 | 22,757 |
| Grants to Schools | - | - | - | 3,500 |
| Payments to Religious Orders re Parish Sisters | 14,768 | - | 14,768 | 18,228 |
| Professional fees | - | 8,880 | 8,880 | 6,110 |
| Other Donations & Grants | 46,943 | - | 46,943 | 56,913 |
| | <u>3,080,127</u> | <u>8,880</u> | <u>3,089,007</u> | <u>3,114,005</u> |

| <u>Curia</u> | Direct Costs £ | Support Costs £ | Total 2021 £ | Total 2020 £ |
|---|-------------------------------|--------------------------------|-----------------------------|-----------------------------|
| Bishop of Hallam's Office & Mensa | 73,800 | - | 73,800 | 78,118 |
| General Diocesan Expenditure | 20,060 | 283 | 20,343 | 26,211 |
| Camino Grant | 39,000 | - | 39,000 | 3,500 |
| Safeguarding | 79,392 | - | 79,392 | 74,387 |
| MissionHub & University Chaplaincies | 54,627 | - | 54,627 | 62,708 |
| Hallam Pastoral Centre | 14,371 | - | 14,371 | 15,650 |
| Schools' Department | 300,857 | - | 300,857 | 313,705 |
| Adult Formation & Mission | 37,701 | - | 37,701 | 44,464 |
| Property Department | 48,327 | - | 48,327 | 54,113 |
| Health & Safety | 15,078 | - | 15,078 | 15,288 |
| Tribunal | 44,176 | - | 44,176 | 39,689 |
| Youth Ministry | 4,014 | - | 4,014 | (392) |
| Finance Department | - | 82,629 | 82,629 | 86,667 |
| Hallam News | 1,291 | - | 1,291 | 11,164 |
| Clergy Formation & Training | 64,046 | - | 64,046 | 103,515 |
| Clergy Support | 7,394 | - | 7,394 | 4,301 |
| Sick & Retired Clergy | 154,973 | - | 154,973 | 157,212 |
| National Levies | 48,538 | - | 48,538 | 57,179 |
| Grants to Schools | 35,751 | - | 35,751 | 35,740 |
| Caritas Hallam | 243,526 | 4,811 | 248,337 | 214,964 |
| Padley Chapel | 2,986 | - | 2,986 | 6,174 |
| St Wilfrid's Centre | 442,673 | 4,648 | 447,321 | 469,398 |
| St Wilfrid's Place | 57,585 | 444 | 58,029 | 64,734 |
| Burghwallis Hall (former St Anne's Rest Home) | 18,582 | - | 18,582 | 44,312 |
| Pilgrimages | 11,377 | - | 11,377 | 6,809 |
| Professional fees | - | 51,900 | 51,900 | 51,149 |
| | <u>1,820,125</u> | <u>144,715</u> | <u>1,964,840</u> | <u>2,040,759</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

8 Allocated Support Costs

| | Parishes 2021 £ | Curia 2021 £ | Total 2021 £ | Total 2020 £ |
|--|--------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Finance Department & Trustee meeting costs | - | 82,912 | 82,912 | 86,667 |
| Governance - Legal & Other Professional Fees | 8,880 | - | 8,880 | 6,710 |
| Audit | - | 13,956 | 13,956 | 12,450 |
| Accountancy | - | 47,847 | 47,847 | 48,606 |
| | <u>8,880</u> | <u>144,715</u> | <u>153,595</u> | <u>154,433</u> |

9 Staff Costs

| | Total 2021 £ | Total 2020 £ |
|-----------------------|-----------------------------|-----------------------------|
| Salaries | 1,155,955 | 1,197,157 |
| Social Security Costs | 84,270 | 85,290 |
| Pension Costs | 62,992 | 57,467 |
| | <u>1,303,217</u> | <u>1,339,914</u> |

Average number of employees:-

| | 2021 | 2020 |
|-------------------------------------|-------------|-------------|
| <i>Direct Charitable activities</i> | | |
| Parishes | 54 | 52 |
| Curia | | |
| Diocesan Departments & Agencies | 17 | 17 |
| Diocesan Organisations | 29 | 29 |
| | <u>100</u> | <u>98</u> |

The number of employees whose emoluments fell within the following band was:-

| | 2021 | 2020 |
|-------------------|-------------|-------------|
| £60,001 - £70,000 | 1 | 1 |
| £70,001 - £80,000 | 1 | 1 |
| | <u>1</u> | <u>1</u> |

During the year, pension contributions for the above amounted to £23,458 (2020: £21,559).

The cost of Key management personnel (salary, employer's national insurance and employer's pension contributions) was £213,351(2020: £222,931).

Clergy are not included within the above as they are Office Holders and not employees of the Charity. Payments to Clergy amounted to £422,175 (2020: £414,558). Payments to Religious Orders for Parish Sisters amounted to £14,768 (2020: £18,228).

In addition to employees, the Charity has a number of unpaid volunteers who help in the parishes and in Diocesan Organisations.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

10 Trustees (Finance Board Members) Information

The sole Trustee of the Roman Catholic Diocese of Hallam Trust is a Trust Corporation, Diocese of Hallam Trustee. The directors of Diocese of Hallam Trustee are known as Members of the Finance Board and are Trustees in law. None of the Members of the Finance Board received remuneration for their role as Trustees. Five Members of the Finance Board who served during the year are Roman Catholic Priests of the Diocese, and were housed and remunerated within their parishes. To assist him in the performance of his duties, the Bishop is provided with a house, and his expenses in carrying out his office are met from Curial Funds. The total remuneration received by the Clergy Trustees through their ecclesiastical Office (and not through their position as trustees) was £35,968 (2020: £31,675).

None of the Members of the Finance Board received any reimbursement of expenses arising from their position as Trustees.

11 Indemnity Insurance

Indemnity Insurance for £5 million cover was incorporated in the overall public liability and buildings insurance arrangements made for the charity.

12 Tangible Fixed Assets

| | Freehold Land and Buildings £ | Leasehold Land and Buildings £ | Fixtures, Fittings, and Equipment £ | Motor Vehicles £ | Total £ |
|---------------------------------------|---|--|---|------------------------|--------------------------|
| Cost/Fair value at acquisition | | | | | |
| As at 1st January 2021 | 40,917,980 | 1,089,033 | 2,147,043 | 33,985 | 44,188,041 |
| Additions | 79,580 | - | 48,320 | - | 127,900 |
| Disposals | (667,897) | - | (129,707) | - | (797,604) |
| As at 31st December 2021 | <u>40,329,663</u> | <u>1,089,033</u> | <u>2,065,656</u> | <u>33,985</u> | <u>43,518,337</u> |
| Depreciation | | | | | |
| As at 1st January 2021 | 19,481,516 | 625,177 | 1,465,765 | 13,594 | 21,586,052 |
| Charge for the Year | 846,347 | 20,754 | 71,245 | 6,797 | 945,143 |
| Withdrawn on disposals | (179,582) | - | (128,975) | - | (308,557) |
| As at 31st December 2021 | <u>20,148,281</u> | <u>645,931</u> | <u>1,408,035</u> | <u>20,391</u> | <u>22,222,638</u> |
| Net Book Value | | | | | |
| As at 31st December 2021 | <u><u>20,181,382</u></u> | <u><u>443,102</u></u> | <u><u>657,621</u></u> | <u><u>13,594</u></u> | <u><u>21,295,699</u></u> |
| As at 31st December 2020 | <u>21,436,464</u> | <u>463,856</u> | <u>681,278</u> | <u>20,391</u> | <u>22,601,989</u> |

Net Book Value as at 31st December 2021 represents fixed assets used for:-

| | |
|-----------------|----------------------------------|
| Parish purposes | £17,337,686 (2020 : £18,037,634) |
| Curial purposes | £ 3,958,013 (2020 : £ 4,564,355) |

Land and buildings occupied by Catholic Voluntary Academies and Voluntary Aided Schools are not capitalised because they are considered to be of nil value (see accounting policy note 2.3a for further details).

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

13 Fixed Asset Investments

| | 2021 | 2020 |
|--|-------------------------|-------------------------|
| | £ | £ |
| (a) Listed Investments | | |
| Market Value 1st January 2021 | 3,812,083 | 3,730,979 |
| Acquisitions | 156,662 | 1,268,003 |
| Disposals at Opening Value (Note I) | (185,979) | (1,311,573) |
| Net unrealised investment gains/(losses) | 382,371 | 124,674 |
| | <u>4,165,137</u> | <u>3,812,083</u> |
| (b) Unlisted Investments | | |
| The Catholic National Mutual Limited | <u>4,000</u> | <u>4,000</u> |
| (c) National Savings Deposits & Bonds | | |
| Market Value at 1st January 2021 | <u>99,000</u> | <u>99,000</u> |
| Market Value at 31st December 2021 | <u>99,000</u> | <u>99,000</u> |
| (d) Cash deposits – pending reinvestment | | |
| Stockbroker's deposit accounts | <u>51,668</u> | <u>42,055</u> |
| | 2021 | 2020 |
| | £ | £ |
| (e) Investment Properties | | |
| Market Value at 1st January 2021 | 3,432,450 | 3,417,450 |
| Additions | 58,000 | - |
| Disposals at Opening Value (Note II) | (260,000) | (20,000) |
| Net gain/(loss) on revaluation | - | 35,000 |
| | <u>3,230,450</u> | <u>3,432,450</u> |
| TOTAL FIXED ASSET INVESTMENTS | <u>7,550,255</u> | <u>7,389,588</u> |

\ Continued on Page 27

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

13 Fixed Asset Investments (Continued)

| | 2021 | 2020 |
|----------------------|-------------|-------------|
| | £ | £ |
| Note (I) | | |
| Proceeds | 191,729 | 1,184,326 |
| Realised (Gain)/Loss | (5,750) | 127,247 |
| | 185,979 | 1,311,573 |
| | | |
| | 2021 | 2020 |
| | £ | £ |
| Note (II) | | |
| Proceeds | 296,238 | 16,918 |
| Realised (Gain)/Loss | (36,238) | 3,082 |
| | 260,000 | 20,000 |

Market Value at 31st December 2021 represented investments held for:-

| | |
|-----------------|-------------------------------|
| Parish purposes | £3,261,846 (2020: £3,460,442) |
| Curial purposes | £4,288,409 (2020: £3,929,146) |

The historical cost of listed investments is £2,951,583 (2020: £2,975,432).

The unlisted investment in The Catholic National Mutual Limited can only be disposed of *at par*, and the historical cost of that investment is £4,000.

Investment Properties are based at the Trustee's best estimate of fair value at the Balance Sheet date.

The Investment Properties were acquired at nil cost on formation of the Diocese in 1980 and on the subsequent transfer of one parish from a separate trustee. The majority of the investment properties were revalued professionally as at 31st December 2016 at open market value by Burgess Commercial Ltd of Rotherham. Within the last five years the other investment properties were revalued by PPH Commercial LLP of Doncaster, Fisher German LLP of Retford and Wilby's of Barnsley. A professional external valuation of the Investment Properties has been commissioned as at 31st December 2022.

All investment properties are situated in the UK.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

14 Debtors

| | 2021 | 2020 |
|--|----------------|----------------|
| | £ | £ |
| Amounts falling due within one year | | |
| Accrued Interest receivable | 103 | 120 |
| Gift Aid Tax recoverable | 10,980 | 7,367 |
| Grant Debtors | - | 30,141 |
| Other Debtors | 501,150 | 347,968 |
| Prepayments | 78,573 | 77,894 |
| Pastoral Loans | 15,349 | 15,529 |
| | <u>606,155</u> | <u>479,019</u> |

The Pastoral Loans made are to priests, interest free and repayable on demand.

All debtors are repayable within one year.

15 Liabilities: Amounts falling due within one year

| | 2021 | 2020 |
|---|----------------|------------------|
| | £ | £ |
| Sundry Creditors | 298,887 | 375,741 |
| D/E LCVAP funding held for Diocesan Voluntary Aided Schools | 361,703 | 596,543 |
| PAYE Creditor | 6,063 | 6,372 |
| Third Party Collections | 33,172 | 33,504 |
| Accruals | 72,598 | 111,711 |
| | <u>772,423</u> | <u>1,123,871</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

16 Restricted Funds

| | Balance 1.1.21 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.21 £ |
|---------------------------------------|------------------------|----------------|------------------|----------------|---------------------------------------|--------------------------|
| <u>Parish Funds</u> | | | | | | |
| Parish Restricted Property | 5,038,645 | - | (151,268) | - | - | 4,887,377 |
| J.J. Eyre Fund (St Vincent's) | 31,794 | 410 | (2,029) | - | 345 | 30,520 |
| J.J. Eyre Fund (St Marie's) | 37,460 | 4,040 | - | - | 3,059 | 44,559 |
| Other Restricted Parish Funds | 526,157 | 30,075 | (10,720) | (13,425) | - | 532,087 |
| <u>Curial Funds</u> | | | | | | |
| Sick & Retired Clergy Fund | 483,873 | 21,740 | (160,141) | 14,812 | 70,065 | 430,349 |
| Priests' Training Fund | 19,637 | 12,246 | (66,297) | - | 23,107 | (11,307) |
| Foundation Masses Fund | 22,518 | 1 | (1) | - | - | 22,518 |
| Diocesan Schools' Building Fund | 73,510 | 32,462 | (35,751) | - | - | 70,221 |
| The Gerard Postlethwaite Camino Fund | 38,000 | 5,715 | (39,000) | - | - | 4,715 |
| National Singing Programme Fund | - | 25,000 | - | - | - | 25,000 |
| Lourdes Pilgrimage : Restricted Fund | 1,500 | - | - | - | - | 1,500 |
| St. Wilfrid's Centre Restricted Funds | 50,590 | 23,790 | (35,812) | - | - | 38,568 |
| St. Wilfrid's Place Restricted Fund | 1,473,995 | - | (39,396) | - | - | 1,434,599 |
| | <u>7,797,679</u> | <u>155,479</u> | <u>(540,415)</u> | <u>1,387</u> | <u>96,576</u> | <u>7,510,706</u> |

- (a) Parish Restricted Property Fund - This Fund represents the Parish property that is subject to a Special Trust, at its net book value at the Balance Sheet date.
- (b) Other Restricted Parish Funds – This Fund predominantly represents funds arising from the disposal of Solly Street by St Vincent's Parish, which are to be used only for the benefit of that parish.
- (c) St Wilfrid's Place Restricted Fund – This Fund represents the amounts received in respect of a project in Sheffield to provide supported housing, for adults, which had not been expended at the Balance Sheet date.
- (d) Sick & Retired Clergy Fund - This Fund represents the amounts received to meet the costs involved in the assistance of sick and retired Clergy of the Diocese, which had not been expended at the Balance Sheet date.
- (e) Diocesan Schools' Building Fund' Training Fund - This Fund represents the amounts received by this Fund to enable grants to be made to diocesan Voluntary Aided Schools to assist them in financing the Governors' 10% liability for building improvements and repairs of school buildings.

17 Unrestricted Funds

| | Balance 1.1.21 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.21 £ |
|--------------------------------|------------------------|------------------|--------------------|------------------|---------------------------------------|--------------------------|
| <u>Parish Funds</u> | | | | | | |
| General Fund | 6,761,347 | 3,041,692 | (2,311,865) | (678,139) | 36,238 | 6,849,273 |
| Designated Funds | | | | | | |
| Parishes Fund for Fixed Assets | 13,751,989 | - | (676,580) | 127,900 | - | 13,203,309 |
| | <u>20,513,336</u> | <u>3,041,692</u> | <u>(2,988,445)</u> | <u>(550,239)</u> | <u>36,238</u> | <u>20,052,582</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

17 Unrestricted Funds (Continued)

| | Balance 1.1.21 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.21 £ |
|------------------------------|------------------------|------------------|--------------------|----------------|---------------------------------------|--------------------------|
| <u>Curial Funds</u> | | | | | | |
| General Funds | 3,371,583 | 509,968 | (878,672) | 485,702 | 259,481 | 3,748,062 |
| Designated Funds | | | | | | |
| Curial Fund for Fixed Assets | 1,723,648 | - | (48,407) | 63,150 | - | 1,738,391 |
| Needy Parishes Fund | 23,870 | 1,262 | - | - | - | 25,132 |
| Caritas Hallam Fund | 309,736 | 212,979 | (254,833) | - | 32,064 | 299,946 |
| St. Wilfrid's Centre Funds | 398,841 | 355,600 | (420,315) | 38,000 | - | 372,126 |
| St. Wilfrid's Place Fund | 529,767 | 81,047 | (18,633) | (38,000) | - | 554,181 |
| Lourdes Pilgrimage Fund | 66,896 | 17,550 | (11,418) | - | - | 73,028 |
| Walsingham Pilgrimage Fund | 3,834 | - | (20) | - | - | 3,814 |
| | <u>6,428,175</u> | <u>1,178,406</u> | <u>(1,632,298)</u> | <u>548,852</u> | <u>291,545</u> | <u>6,814,680</u> |

(a) Parish Fund for Fixed Assets - This Fund comprises the amount of the net book value of fixed assets for Parish use at the balance sheet date.

(b) Curial Fund for Fixed Assets - This Fund comprises the amount of the net book value of fixed assets for general Diocesan use at the balance sheet date.

(c) Caritas Hallam Fund – This Fund represents the amount designated for the activities of Caritas Hallam.

(d) St Wilfrid's Centre Funds – This represents funds designated for the operation of St Wilfrid's Centre.

(e) St Wilfrid's Place Fund – This Fund represents the amount designated in respect of a project in Sheffield providing supported housing, for adults, which had not been expended at the Balance Sheet date.

18 Analysis of Net Assets Between Funds

| | Unrestricted Funds 2021 £ | Restricted Funds 2021 £ | Total Funds 2021 £ |
|---|------------------------------------|----------------------------------|-----------------------------|
| Fund Balances at 31st December 2021 | 26,867,262 | 7,510,706 | 34,377,968 |
| Represented by:- | | | |
| Tangible Fixed Assets | 15,642,858 | 5,652,841 | 21,295,699 |
| Investments | 5,685,175 | 1,865,080 | 7,550,255 |
| Current Assets | 6,809,004 | (504,567) | 6,304,437 |
| Inter-fund offset | (502,299) | 502,299 | - |
| Liabilities : Amounts falling due within one year | (767,476) | (4,947) | (772,423) |
| Total Net Assets | 26,867,262 | 7,510,706 | 34,377,968 |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

19 Detailed Analysis of Net Assets Between Funds

| PARISHES | Tangible Fixed Assets | Investments | Net Assets | Inter-Fund Loans | TOTAL |
|---|----------------------------------|--------------------|-----------------------|-----------------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Restricted Funds | | | | | |
| Parish Restricted Property Fund | 4,134,377 | 753,000 | - | - | 4,887,377 |
| J.J. Eyre Fund (St Vincent's) | - | 11,920 | 18,600 | - | 30,520 |
| J.J. Eyre Fund (St. Marie's) | - | 19,476 | 25,083 | - | 44,559 |
| Other Restricted Parish Funds | - | - | 29,788 | 502,299 | 532,087 |
| Unrestricted Funds | | | | | |
| <i>Designated</i> | | | | | |
| Parishes Fund for Fixed Assets | 13,203,309 | - | - | - | 13,203,309 |
| <i>Other Unrestricted Funds</i> | | | | | |
| General Reserves | - | 2,477,450 | 1,370,366 | 3,001,457 | 6,849,273 |
| | <u>17,337,686</u> | <u>3,261,846</u> | <u>1,443,837</u> | <u>3,503,756</u> | <u>25,547,125</u> |
| | | | | | |
| CURIA | Tangible Fixed Assets | Investments | Net Assets | Inter-Fund Loans | TOTAL |
| | £ | £ | £ | £ | £ |
| Restricted Funds | | | | | |
| Sick & Retired Clergy Fund | 67,771 | 749,745 | (387,167) | - | 430,349 |
| Priests' Training Fund | - | 321,939 | (333,246) | - | (11,307) |
| Foundation Masses Fund | - | 9,000 | 13,518 | - | 22,518 |
| Diocesan Schools' Building Fund | - | - | 70,221 | - | 70,221 |
| The Gerard Postlethwaite Camino Fund | - | - | 4,715 | - | 4,715 |
| National Singing Programme Fund | - | - | 25,000 | - | 25,000 |
| St. Wilfrid's Centre: Restricted Grants | 16,094 | - | 22,474 | - | 38,568 |
| St. Wilfrid's Place Restricted | 1,434,599 | - | - | - | 1,434,599 |
| Lourdes Pilgrimage: Sick Child Fund | - | - | 1,500 | - | 1,500 |
| | <u>1,518,464</u> | <u>1,080,684</u> | <u>(582,985)</u> | <u>-</u> | <u>2,016,163</u> |
| Unrestricted Funds | | | | | |
| <i>Designated</i> | | | | | |
| Curial Fund for Fixed Assets | 1,795,494 | - | - | (57,103) | 1,738,391 |
| Needy Parishes Fund | - | - | 25,132 | - | 25,132 |
| Caritas Hallam Fund | - | 305,485 | (5,539) | - | 299,946 |
| St. Wilfrid's Centre Funds | 228,981 | - | 157,783 | (14,638) | 372,126 |
| St. Wilfrid's Place Fund | 415,074 | - | 124,469 | 14,638 | 554,181 |
| Lourdes Pilgrimage Fund | - | - | 68,619 | 4,409 | 73,028 |
| Walsingham Pilgrimage Fund | - | - | 3,814 | - | 3,814 |
| <i>Other Unrestricted Funds</i> | | | | | |
| General Reserves | - | 2,902,240 | 4,296,884 | (3,451,062) | 3,748,062 |
| | <u>3,958,013</u> | <u>4,288,409</u> | <u>4,088,177</u> | <u>(3,503,756)</u> | <u>8,830,843</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2021

20 Third Party Collections

Third Party collections are taken in Churches with the permission of the Charity but the funds are not under the control of the Charity and are excluded from the Statement of Financial Activities.

21 Entitlement to Future Legacies

Legacies are recognised when there is entitlement, certainty of receipt, and the legacy can be measured. The charity considers that entitlement is when estate accounts are settled/there is notification of a distribution.

22 Connected Charities and Related Party Transactions

The Bishop of Hallam appoints Foundation Governors to the Governing Bodies of Diocesan Schools and Foundation Directors of Catholic Voluntary Academies. Foundation Governors/Directors form a majority in each school. The addresses of Diocesan Schools are detailed in the Diocesan Year Book. Grants made by the charity to Voluntary Aided schools for building and repair costs, through the Diocesan Schools Building Fund amounted to £35,751 (2020: £35,740). There were no grants to Schools by Parishes in the Year (2020: £3,500). At 31st December 2021 the charity held funds amounting to £361,703 (2020:£596,543) representing DfE grant money held for Diocesan VA Schools. The corresponding creditor is shown in Note 15.

Diocese of Hallam Trustee is also Trustee of St. Michael's Roman Catholic Church and Presbytery, Hathersage, a separate charity.

23 Financial Instruments

The charity had the following financial instruments:

| | 2021 £ | 2020 £ |
|---|----------------|------------------|
| Financial assets at fair value through Statement of Financial Activities: | | |
| Fixed asset investments – Equity investments and deposits | 4,319,805 | 3,957,138 |
| Financial assets that are debt instruments measured at amortised cost: | | |
| Cash at Bank | 5,698,282 | 5,392,465 |
| Debtors | 527,582 | 401,125 |
| Financial liabilities measured at amortised cost: | | |
| Creditors | 772,423 | 1,123,871 |
| | <u>772,423</u> | <u>1,123,871</u> |

24 Commitments

| | 2021 £ | 2020 £ |
|---|---------------|---------------|
| <i>Authorised:-</i> | | |
| Parish Expenditure | 68,826 | 53,149 |
| Curial Expenditure | - | - |
| Grants to Schools | - | 35,477 |
| | <u>68,826</u> | <u>88,626</u> |
| Included in amounts authorised are net amounts contracted for : | <u>16,826</u> | <u>53,149</u> |

ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

England & Wales - Charity number 512021

Accounts

DIOCESE OF HALLAM

**Roman Catholic Diocese of Hallam Trust
(Registered Charity No. 512021)**

**ANNUAL REPORT
AND FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2020**

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

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DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

Legal & Administrative Details

Legal Status

The Roman Catholic Diocese of Hallam Trust is a charitable trust, established by a Trust Deed dated 28th October 1981. The Charity Registration number is 512021. The charity is registered with the H.M. Revenue & Customs for tax exemption purposes under reference XN57643A.

The Trust is administered by a Trust Corporation, Diocese of Hallam Trustee, incorporated 26th October 1981 and whose Company Registration Number is 01593544. Diocese of Hallam Trustee is a Company Limited by Guarantee with a licence from the Secretary of State for Business, Innovation & Skills to dispense with the word Limited from its name.

As at 31st December 2020 there were 11 Members of the Finance Board of Diocese of Hallam Trustee.

Directors of Diocese of Hallam Trustee
(Known as Members of the Finance Board)

Right Reverend Ralph Heskett, C.Ss.R.
Reverend D. Humphries
Reverend Monsignor W.A. Kilgannon - Resigned 10th March 2021
Reverend Deacon C.A. Kime
Mrs P. McGrath
Reverend P.D. McGuire
Mrs M. Moore - Appointed 16th September 2020 Resigned 10th March 2021
H.H. M.J. Murphy
Reverend C.M. Posluszny
Mrs A. Ryalls
Reverend Monsignor D.M. Sexton, V.G.

Secretary to the Finance Board of Diocese of Hallam Trustee

E.J. Whittaker

Key Personnel:-

Finance Dept:- E.J. Whittaker Schools Dept:- P. Patterson (Primary) R. Sawyer (High Schools)

**Principal Address of Charity
& Registered Office of Trustee**

The Diocese of Hallam Pastoral Centre,
St. Charles Street,
Sheffield. S9 3WU

Principal Bankers

HSBC Bank plc,
Carmel House, 49 - 63 Fargate,
Sheffield. S1 2HD

Solicitors

Taylor & Emmet LLP,
20 Arundel Gate,
Sheffield. S1 2PP

Insurance Managers

Catholic Insurance Service Limited,
Suite 5, Oxford House, Oxford Road
Thame, Oxfordshire. OX9 2AH

Accountants

W.H. Prior
Chartered Certified Accountants
Railway Court,
Doncaster. DN4 5FB

Investment Managers

Investec Wealth and Investment Ltd,
Beech House,
61 Napier Street,
Sheffield. S11 8HA

Auditors

Warrens GBC Ltd
Chartered Certified Accountants & Statutory Auditor
33 Thorne Road,
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DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

ANNUAL REPORT

Year Ended 31st December 2020

The Trustee presents its Report and Financial Statements for the Year Ended 31st December 2020. The Statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – Charities SORP FRS102 (effective 1st January 2019).

HISTORY AND ORGANISATION

The Roman Catholic Diocese of Hallam is a charitable trust, established by a Trust Deed dated 28th October 1981, amended by a deed of variation dated 20th July 2006. The Diocese of Hallam was formed on 30th May 1980 from the division of the Dioceses of Leeds and Nottingham. The Trust is a Registered Charity, registration number 512021 and its sole Trustee is Diocese of Hallam Trustee as detailed on Page 1. The objects of the charity are:-

'To advance the Roman Catholic Religion in the Hallam Diocese by such means being charitable as the Bishop of Hallam may think fit and proper and for the service and support whether in the Hallam Diocese or outside the Hallam Diocese by such means as aforesaid of charitable works and objects promoted by the Church'.

The Diocese of Hallam consists of 52 parishes in the county of South Yorkshire, parts of the High Peak and Chesterfield Districts of Derbyshire, and the district of Bassetlaw in Nottinghamshire. Mass attendance for 2020 averaged 3,633 (2019: 10,311) but it should be noted that the Bishops of England & Wales removed the Sunday obligation in March 2020 at the start of the first lockdown and so the attendance for 2020 is cumulative across the week, and includes periods of full closure.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Roman Catholic Diocese of Hallam Trust is a charitable trust established by Trust Deed. The power of appointment of Trustees is vested in the Bishop of Hallam. The Charity is administered by the trust corporation Diocese of Hallam Trustee, a company limited by guarantee and not having share capital, registered under the Companies Acts (No. 01593544). The directors of Diocese of Hallam Trustee are known as Members of the Finance Board.

The sole trustee is the trust corporation Diocese of Hallam Trustee. The Bishop of Hallam appoints the Members of the Finance Board under article 31 of the Trust Corporation's Articles of Association. The Members of the Finance Board comprise clergy and laity and are appointed for their expertise. New Members of the Finance Board are provided with an information pack relating to the constitution, governance and operation of the charity, and ongoing training is provided to all Members. The Members of the Finance Board who served during the year, and as at the date of this Report are detailed on Page 1.

The Finance Board of Diocese of Hallam Trustee meets approximately every six weeks. The Board receives reports from senior officers and various committees, considers proposals for major expenditure and, under the leadership of the Bishop, sets the strategic direction of the charity.

The Schools' Department gives advice to Catholic, and joint Catholic and Church of England, schools in the Diocese. The Hallam Diocesan Schools Executive Committee meets regularly to consider academy conversion applications and the progress of schools. This Committee comprises of the Episcopal Vicar for Schools (Rev. P. McGuire), officers of the Schools' Department, the Director of Finance, the Diocesan Property Manager and the Bishop. The Diocesan Building Committee normally meets one week before each Finance Board meeting. That committee monitors property matters in more depth and reports to the Finance Board with their recommendations. It holds delegated responsibility for building projects below £40,000. Monsignor W. Kilgannon, Rev. Deacon C. Kime, and Rev. C. Posluszny represented the Finance Board on the Diocesan Building Committee, and the Director of Finance and Diocesan Property Manager are in attendance.

The Investment Sub-Committee of the Finance Board of Diocese of Hallam Trustee monitors performance and sets benchmarks for the investment managers. The Sub-Committee consists of at least one member of the Finance Board and throughout 2020 this Committee comprised of the Bishop, Mr. S. Hanlon, Rev. M. McManus, the Director of Finance. The Diocesan Health & Safety Sub-Committee met regularly in 2020.

Diocesan Organisations operate under the supervision of a Member of the Finance Board, as Executive of Diocese of Hallam Trustee, or a senior member of staff, operating under delegation, who reports to the Finance Board.

The independent Diocesan Safeguarding Commission meets several times a year and presents regular reports to the Bishop and Finance Board. The Commission seeks to implement National and Diocesan Policies, Guidelines and Procedures on the care and protection of children and vulnerable adults and works closely with the Catholic Safeguarding Advisory Service (CSAS), Local Safeguarding Representatives in each parish, safeguarding representatives in diocesan organisations, and relevant statutory bodies.

Parish Priests administer the financial affairs of the Parishes, and act as agents of Diocese of Hallam Trustee. They are assisted by a Parish Finance Committee who offer advice and support. In parishes, and in Diocesan organisations, the Charity relies on the generous support of a large number of volunteers who offer their time and skills freely.

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ANNUAL REPORT (Continued) Year Ended 31st December 2020

PUBLIC BENEFIT

The celebration of Mass is central to the Roman Catholic faith, and this is the main use of the 60 Churches operated by the charity. Whilst Sunday is the principal day of worship, many of our churches are open each day and are accessible to all. Every week the parish community comes together to celebrate the mystery of our faith - the death and resurrection of Our Lord Jesus Christ. People gather in prayer and praise of God, and to seek God's help and forgiveness. Anyone is welcome to attend services, or just to take a moment in a sacred space for peace and stillness in order to pray and there is no question of any fee or charge.

We also celebrate the sacraments, primarily within each parish community. Many of these are linked to the milestones in people's lives. At Baptism an individual becomes part of the body of Christ, and part of the Church. From their First Communion they are able to take part fully in the Eucharist. Confirmation affirms them in their faith and normally takes place at adolescence. In Marriage the individual forms a covenant with their partner. The Anointing of the Sick, and the Sacrament of Reconciliation are the two sacraments of healing, and through Holy Orders ordination as a priest or deacon is conferred.

The parish priests and clergy guide each parish community, under the authority of the Bishop, who is our shepherd and teacher. Many parish buildings are also used for social events and activities that benefit the wider community.

Through Diocesan Agencies a wide range of services are supported by the Diocese. For example, the Diocesan Schools' Department assists the work of the Voluntary Aided Catholic, and Catholic Voluntary Academy, schools in the Diocese, through training, guidance and advice to headteachers and governors. This includes the development and monitoring of religious education, the Section 48 inspection of schools, advising on the appointment of senior staff and succession planning, planning of school places and the maintenance and provision of school buildings. The department works closely with the four councils and two county councils that cover the Diocese and the Governors of Voluntary Aided Schools, and the Directors of the Academy Trusts. Through the Diocesan Schools' Building Fund, grants are made to Voluntary Aided governing bodies towards the capital cost of school buildings. Each school is an exempt charity, and maintained schools and Catholic Voluntary Academies provide education free of charge. Whilst these schools are not part of the charity, the Diocese plays a key role in supporting them and this has an enormous impact on all their pupils, regardless of whether or not they have any religious affiliation.

Diocesan Organisations, such as St. Wilfrid's Centre, provide a further opportunity for the Church to reach out to the wider community. St. Wilfrid's Centre gives practical help and support to homeless and vulnerable people who experience the burden of social exclusion. Most of its clients are affected by homelessness, poverty, mental health needs, addiction, extreme isolation and institutionalisation. It welcomes all, without distinction of race, national origin, sex, sexual orientation, or political, religious or other opinions. Projects such as this are one way in which the Diocese tries to meet Christ's commandment to "*Love your neighbour as yourself*".

The Members of the Finance Board confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

ACHIEVEMENTS & PERFORMANCE

The primary area that the Charity seeks to fulfil its objectives is through its 52 parishes. They do not exist as independent congregations, and it is the parishes together with diocesan agencies and organisations that together make up the charity. As a result of pastoral work and preparations in these parishes in 2020 there were 249 baptisms, 40 receptions into the Church, 43 marriages and 559 funerals. There were also 187 children receiving their First Communion and 110 Confirmations.

As a result of the Covid-19 pandemic, the government announced a full national lockdown on 23rd March 2020, with subsequent national and local restrictions throughout the year. This impacted significantly on the operations of the charity in many ways and our Churches were closed to the public for a number of weeks. New ways were found to engage with parishioners from Facebook and WhatsApp groups, to Zoom and telephone contact. Some parishes started to stream Church services. A significant number of employees were placed on furlough for part of the year (both Parish and Curia) but the nature of some departments meant that workloads increased, in very difficult circumstances.

Caritas Hallam experienced significant demand for counselling services and continued to respond, particularly to students in diocesan schools. Caritas Hallam also helped distribute food parcels around the diocese, generously funded by a grant from the Albert Gubay Foundation, and delivered in partnership with the SVP around the diocese. In parishes, Foodbanks saw a large increase in demand, e.g. St Mary Magdalene's Foodbank, Maltby.

One highlight, in a complicated year, was the ordination to the priesthood on 18th July 2020 of Fr. Dominic Jenkinson. Sadly, Deacon Neil Bailey died in April 2020 as a result of Covid-19, and Mgr Peter Moran, the first Financial Secretary of the diocese passed away in November 2020 after a period of ill health.

Whilst income has been significantly affected as a result of the Coronavirus pandemic, the Finance Board is satisfied, taking into account the results of the Stress Testing, that the charity has sufficient flexibility within its financial assets to withstand the short-term impact of the pandemic to enable it to continue to deliver its charitable objects.

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Activities that take place outside of the parishes are defined as “Curial”. These consist of Diocesan Agencies and Diocesan Organisations who work alongside parishes in fulfilling the objects of the Charity and the mission of the Church.

Diocesan Agencies work under the direct supervision of the Bishop and Finance Board to meet specific pastoral, administrative or liturgical needs identified by the Bishop. Budgets are set and they are encouraged to generate income wherever feasible, and such income is detailed in Note 4 of the financial statements. The net cost of Diocesan Agencies is met initially by income from Diocesan investments and the balance is “assessed” on the Parishes through the “Parish Assessment”.

Diocesan Agencies and other expenditure funded by assessment include:-

- Bishop of Hallam’s Office
- Schools’ Department
- Adult Formation
- Property Management Department
- Young Adults Ministry & University Chaplaincies (University of Sheffield & Sheffield Hallam University)
- Finance Department
- Tribunal
- Youth Ministry
- Safeguarding
- Hallam Pastoral Centre
- National Levies – CaTEW Bishops’ Conference of England & Wales, CES, etc.
- Professional fees
- Diocesan Grants
- Historic Churches Committee & Diocesan Archivist

Diocesan Organisations are not financed through Parish Assessments, and are self-financing, although a number of these projects rely on the generosity of Parishes and parishioners. Their gross income is detailed in Note 4. The income and expenditure of these projects forms a substantial part of “Curial” activities. They include:-

- Caritas Hallam – Marriage & Family Life, Children & Family Support, Pastoral Care for Deaf People, and Carmel Care
- St. Wilfrid’s Centre – a project supporting homeless and vulnerable people
- St. Wilfrid’s Place - providing short-term residential accommodation to vulnerable people
- Diocesan Pilgrimage to Lourdes
- Diocesan Pilgrimage to Walsingham
- Diocesan Pilgrimage to Padley
- Youth activities
- Justice & Peace Commission

Across all the diocese of England & Wales the variously named Caring Services all adopted a standardised title of Caritas. Caritas Hallam was successfully launched, unifying it not only with the diocese of this country but with the Caritas organisation worldwide. Caritas would provide an umbrella for ideas and the sharing of good practise. The work undertaken by Caritas Hallam continued to grow with a growing demand for mental health and counselling services in both schools and parishes.

FINANCIAL REVIEW

PARISH ACTIVITIES

In 2020, income from Parish Collections at Mass decreased by £360,975 (a decrease of 20%). Total Parish Collections (excluding Gift Aid) amounted to £1,433,604 compared to £1,794,579 in 2019. The average giving per person for 2020 by reference to attendance is calculated at £7.59 (£3.35 per week 2019) but this is not an accurate measure since many parishioners did not attend in person (often worshipping online) but continued to donate. Parish collections and other voluntary income represented 69% of total gross parish income (2019: 64%). Gift Aid tax recoverable from H.M. Revenue & Customs totalled £280,808 in 2020 (2019: £335,796), a decrease of 16%.

Parishes received legacies of £264,023 in 2020 (2019: £34,111). Due to the inability to let most parish halls and other functional property in the year, because of Covid-19, income from functional property decreased by 59% in 2020. The income from parish investment properties decreased in 2020 - from £340,538 to £328,305.

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The cost of parish property repairs continued to be a significant area of parish expenditure, amounting to £614,667 in 2020 (2019: £784,017).

Invoices for major improvements and new buildings are paid centrally by the Diocese, and charged to the appropriate parish's "Parish Ledger" account with the Diocese. Expenditure on new buildings and major expenditure that is considered to extend the life of existing properties is capitalised and depreciated. Similarly, assets with a cost of over £2,500 are capitalised and depreciated over their estimated useful lives. All legal fees and agents' costs are added to the costs of the asset.

Major projects in 2020 included:-

- ❑ **St. Joseph's Wath upon Dearne** – The Finance Board gave approval to plans to improve the Presbytery living accommodation and disabled access to the Church. The value of the work carried out up to 31st December 2020 amounted to £217,781, following architect's fees previously incurred of £25,036. The project was completed in 2021 with further expenditure bringing the total cost to £256,048.
- ❑ **St. Vincent's, Sheffield** – Work was carried out to extend the Presbytery. The value of the work to 31st December 2020 was £82,706 and the project was in progress as at that date. It was completed in 2021 with a total cost of £122,624
- ❑ **St. Peter's Doncaster** – The remainder of the work to the Church and Church Hall was completed in 2020 at a further cost of £51,026. The Church was decorated at a cost of £22,164.
- ❑ **Mother of God, Sheffield** – The Church and Parish Centre were decorated both internally and externally in 2020 at a cost of £40,177.
- ❑ **St. Oswald's, Sheffield** – The boiler was replaced at a cost of £13,491.
- ❑ **Corpus Christi, Dearne Valley** – Car Park repairs and resurfacing was carried out at Wombwell at a cost of £12,725.
- ❑ **Holy Rood, Barnsley** – The boiler was replaced at a cost of £10,062.
- ❑ **St. Paul's, Cantley** – Video and audio equipment to enable the parish to livestream was installed in the Church at a cost of £7,300.

The only property disposal in 2020 was the sale of an investment property (a small area of agricultural land) realising £16,918.

Before unrealised gains on investments, Parish Assessments and other transfers the Parishes cumulatively resulted in a deficit of £173,061 (2019 surplus £471,735 and a surplus of £1,047,067 in 2018). Changes in the value of parish investment during the year increased Parish Funds by £16,614 making the net deficit before internal transfers £156,447 (2019: £468,040). Parish Assessments of £555,206 (a reduction from £696,872), the Sick & Retired Clergy Levy of £120,000, and other internal transfers, reduced this to an overall net decrease of Parish funds of £847,134 (2019: decrease of £299,787). Total Parish funds carried forward at 31st December 2020 amounted to £26,147,392 of which £18,037,634 was tied-up in functional property and other fixed assets in everyday use by parishes for charitable purposes.

CURIAL ACTIVITIES

Total Curial income decreased by 46% in 2020 (having increased by 50% in 2019 due to significant gains on the disposal of Functional Fixed Assets). Grant income was significantly increased, due to the CJRS Government Grant and increased grants obtained by St. Wilfrid's Centre. Income from Charitable Activities decreased by 38% (£358,684) since activities such as pilgrimages (£260,094 in 2019) could not take place.

St Vincent's Mission Hub – The parish of St. Vincent's financed the development of the old school house at Solly Street, Sheffield up to a cost of £1,100,000. The work was completed in 2020 and the Curial element of the cost amounted to £435,547, making the total cost of the building £1,535,547. St. Vincent's MissionHub is for young adults, and students and encompasses the two University Chaplaincies in Sheffield.

Expenditure on Raising Funds was at the same level in 2020 as the previous year, with a similar level of Investment Management costs.

There was a net Curial deficit after expenditure and transfers, of £168,151 compared to a net surplus in 2019 of £1,060,976.

Total Curial funds carried forward as at 31st December 2020 amounted to £8,591,798, of which £4,564,355 is reflected in tangible fixed assets.

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SUMMARY

The summary below gives an indication of the financial activities of the Diocese.

| <u>Parishes</u> | 2020 £ | 2019 £ |
|--|--------------------|--------------------|
| Income | 2,990,271 | 4,109,924 |
| <u>Deduct: Expenditure</u> | <u>(3,163,332)</u> | <u>(3,638,189)</u> |
| Investment Gains/(Losses) | 16,614 | (3,695) |
| (Deficit)/Surplus before Parish Assessment | <u>(156,447)</u> | 468,040 |
| | | |
| Parish Assessment and other transfers | <u>(690,687)</u> | <u>(767,827)</u> |
| (Decrease)/Increase in reserves | <u>(847,134)</u> | <u>299,787</u> |
| | | |
| <u>Curia</u> | | |
| Parish Assessment and other transfers | 690,687 | 767,827 |
| Other income | 1,211,015 | 2,279,888 |
| Total income | 1,901,702 | 3,047,715 |
| <u>Deduct: Expenditure</u> | <u>(2,082,584)</u> | <u>(2,365,829)</u> |
| Investment Gains/(Losses) | 12,731 | 379,090 |
| (Decrease)/Increase in reserves | <u>(168,151)</u> | <u>1,060,976</u> |

GOING CONCERN

The Charity's activities, together with the factors likely to affect its future development, principal risks and uncertainties facing the Charity and its availability of unencumbered cash reserves are set out in this Annual Report. Its financial position in terms of the year's results, its assets and liabilities, and movement in cash are set out in the principal financial statements on pages 13 to 16. The Trustees have considered the charity's operations for the next 12 months, as required. The charity has sufficient financial resources, mainly in the form of cash, investments, and property, to meet its obligations. There are no material uncertainties about the Charity's ability to continue as a going concern and it is well placed to manage the various risks identified. The Trustee therefore has a reasonable expectation that the Charity has adequate resources to continue its operations for the foreseeable future. Accordingly the going concern basis continues to be adopted in the preparation of the Annual Report and Accounts.

RESERVES

The Finance Board considers that unrestricted reserves equivalent to two years' charitable expenditure for both Parish and Curial reserves are required. In addition to recurring expenditure the Finance Board acknowledges that, in some areas, income is difficult to sustain, and has identified a number of long-term funding requirements including improvement and repair of functional property, clergy retirement and training and formation for which some funds have been designated.

The majority of Parish Funds (£18,037,634) are represented by the functional properties (Churches, Halls, Presbyteries) and other fixed assets, which are integral to the operation of the Charity. The free Parish reserves of £6,761,347 represent around 25 months' Parish expenditure, which is above the 24 months' reserves considered to be required for parishes because of the long-term nature of their operations. Expenditure, however, was significantly less due to the impact of Covid-19 and prolonged closure of Churches, etc. and the Finance Board anticipates that reserves will return within the required level in the near future.

The total Curial funds as at 31st December 2020 amounted to £8,591,798 of which £2,163,623 is restricted for specific purposes. Of the remaining £6,428,175 unrestricted curial funds, £2,997,013, reflected the value of functional property and other fixed assets. The general reserves of £3,371,583 represent just over 19 months' Curial expenditure which is less than the 24 months' reserves considered to be required because of the long-term nature of the charity's operations. The Finance Board acknowledge that funds held are below the charity's reserve levels and are taking action to look to rectify the position.

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INVESTMENT POLICY & PERFORMANCE

Under the trust deed of the Charity, the Trustee may invest, with the consent of the Bishop of Hallam, any money in any manner authorised by law (i.e. the Trustee Act 2000). In 2020 the investment portfolios continued to be managed on a discretionary basis by the investment managers, Investec Wealth and Investment Ltd. The portfolios are managed in line with the ethical investment policy of the Trustees, which is consistent with Church teaching and the Catholic faith. The performance of all of the funds was positive during the year. The performance of the main portfolio and other funds were all above the benchmark, which is pleasing given the market uncertainty in 2020.

| | Total Return | Total Return Benchmark |
|----------------------------|-------------------------|-----------------------------------|
| | % | % |
| Main Portfolio | +3.36 | +1.23 |
| Caritas Hallam Fund | +2.77 | +1.23 |
| Sick & Retired Clergy Fund | +2.43 | +1.23 |
| Priests' Training Fund | +2.30 | +1.93 |

RISK ASSESSMENT

The Finance Board has assessed the major risks to which the Charity is exposed, in particular those related to the operation, investment and finances of the Trust. By monitoring the level of reserves, ensuring control over financial systems and by examining the operational risks faced by the Charity, the Finance Board believes that effective systems have been established to mitigate those risks.

FUND-RAISING

The charity undertakes small scale fund-raising, and applications to charitable trusts for grants. Most fund-raising builds on the connection people have with the Church through their parish and there are no direct appeals by telephone or mailshot to individuals. The charity does not engage professional fund-raisers but does have a part time employee who deals with applications to charitable trusts for grants.

PLANS FOR FUTURE PERIODS

Plans for future periods include the continued growth at St. Vincent's MissionHub for the ministry of students from the University of Sheffield and Sheffield Hallam University, and young adults from across the Diocese, the re-establishment of Youth Ministry (11-18) and the continued development of Adult Formation & Mission.

THIRD PARTY COLLECTIONS

Parishes in the Diocese supported a wide range of charities by allowing, and often organising, Third Party Collections. However, since these funds are not under the control of Diocese of Hallam Trustee, these collections are not included in the results and balances of the Charity. Balances held at 31st December 2020 for third party charities are included in Creditors.

GRANTS

Curial and Parish grants paid out in 2020 included:-

| | |
|--|---------|
| Catholic Trust for England & Wales (CaTEW) | £30,837 |
| Grants to Schools | £3,500 |
| Catholic Education Service (CES) | £17,568 |
| CaTEW re IICSA | £8,024 |
| Holy Family Manenberg, South Africa | £10,017 |
| St. Anthony's, Langa, South Africa | £10,017 |

The grants made are all in furtherance of the Charity's objects.

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KEY MANAGEMENT PERSONNEL

The key management personnel of the Diocese comprises the Director of Finance and the Directors of Schools (Primary and Secondary). Remuneration for key management personnel is set by the Salaries Sub-Committee, taking into consideration the market rates for similar roles and is periodically reviewed in order to recognise and reward outstanding performance.

RISK MANAGEMENT

The Trustee has overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. The Audit Sub-Committee review, annually, the risks facing the charity which can be categorised into broad headings including (1) Safeguarding (2) Ageing Clergy (3) Education (4) Financial (5) Governance.

- **Safeguarding** - Being loved and being kept safe go to the very core of the Church's ministry. The safeguarding of children and adults at risk is of paramount importance to the Diocese. Failing to prevent abuse of the vulnerable has serious repercussions for the individual, the mission of the Church and the Diocese. To mitigate this risk the Diocese follows the policies and procedures put in place by the Catholic Safeguarding Advisory Service (CSAS) which are enforced by the Safeguarding department. The department promotes a safe recruitment policy and provides training across the diocese to reinforce safeguarding procedures. They also respond to any allegation, past or present, of inappropriate behaviour or actual abuse by any member or person working for the Charity, paid or unpaid, liaising with the police and other statutory authorities. An independent Safeguarding Commission oversees the work of the Safeguarding department in this respect. The Diocese of Hallam is committed to the promotion of a "one Church approach" to the safeguarding of children and adults at risk and the promotion of a culture of safeguarding throughout the Charity.
- **Ageing Clergy** - The number of clergy in the Diocese has decreased significantly in recent years, and the age profile of those in active ministry is rising. In addition, the number of priests who have retired from active ministry is increasing. The structure of parishes in each Deanery is under review and a policy and strategy to provide support for ageing clergy.
- **Education** - The Charity contributes to the education provided in the 47 Voluntary Aided and Catholic Voluntary Academy Schools in the Diocese (40 Primary Schools, 6 Secondary, 1 3-16 School). One of the risks identified is the potential underperformance of diocesan schools. The Schools Department monitors the performance of all schools and provides support where necessary. Overall, the number of schools judged by Ofsted as "Good" has increased. Schools that are judged "Required Improvement" or are at risk of under performance receive support from other schools in the Diocese as well as from diocesan officers and consultants. The Hallam Schools' Partnership Academy Trust was formed in 2013 to give particular support to schools that have been placed in "Special Measures". On behalf of the Bishop, the Schools Department retains canonical oversight of diocesan schools in maintaining Catholic ethos and undertakes the Section 48 Inspections.
- **Financial** - Although the financial position of the Charity is stable, financing the current level of expenditure is an identified risk at a time when income from investments (e.g. interest) is limited and voluntary donations (in the form of Parish Offertories) have started to fall. In common with most other Catholic dioceses, Mass attendance is falling. In light of this, expenditure is being reviewed, particularly in terms of Parish Property Repairs, and expenditure by Diocesan Departments is being reviewed individually by a Sub-Committee of Trustees, and budgets reviewed, since this is financed by Parish Assessment. The financing of expenditure on formation of priests and support of Sick & Retired Clergy is also under review.
- **Governance** - As with other dioceses, the structure of the diocese is such that the administration of parishes (in civil law) is undertaken by parish priests under the delegated authority of the Trustee. Their activities, however, remain the responsibility of the Trustee. Systems and controls are in place to monitor these activities, particularly in relation to statutory and regulatory compliance including Employment, Safeguarding, Health & Safety, Property Maintenance and Finance.

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ANNUAL REPORT (Continued) Year Ended 31st December 2020

CONNECTED CHARITIES

The Diocese encompasses 47 Catholic schools. Each of the schools is an exempt charity under the Charities Act 2011, and the activities of Diocesan schools are not reflected in the financial statements. The Bishop of Hallam appoints Foundation Governors/Directors to the Governing Bodies of Catholic Schools/Academy Trusts, and Foundation Governors/Directors form a majority on each body, but schools are not branches of the Diocese. The addresses of the Catholic Schools in the Diocese are detailed in the Diocesan Year Book and diocesan website. The Bishop of Hallam, the Directors of Schools and Diocese of Hallam Trustee are Members of Diocese of Hallam Schools' Partnership (Company Registration Number 08099518). Diocese of Hallam Trustee is also Trustee of St. Michael's Roman Catholic Church and Presbytery, Hathersage.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

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

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

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed dated 28th October 1981 (as varied 20th July 2006). The Trustee is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Finance Board of Diocese of Hallam Trustee on 27th October, 2021 and signed as authorised by:-

E.J. Whittaker
Secretary and Director of Finance

DIOCESE OF HALLAM
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**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST**

Opinion

We have audited the financial statements of the Roman Catholic Diocese of Hallam Trust for the year ended 31 December 2020 as detailed on pages 13 to 32, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of the charity's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with the 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. 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 consistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the charity; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

Responsibilities of the Trustee for the financial statements

As explained more fully in the Trustee's Responsibilities Statement set out on page 9, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Extent to which the audit was considered capable of detecting irregularities including fraud

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements and looking how fraud may occur by enquiring with management as to its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of the discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of material adjusting journals and key estimates and judgements by management.

We gained an understanding of legal and regularity framework applicable to the charity and the sector in which it operates, drawing on our audit experience and knowledge of the charity and its sector, and considered the risk of acts by the charity that were contrary to these laws and regulations that could give rise to a material misstatement in the financial statements, including but not limited to:-
The Charities Act 2011

Charities (Accounts and Reports) Regulations 2008

Guidance issued by the Charity Commission for England & Wales

UK Health & Safety legislation

UK employment legislation

We also made enquiries with the Trustee with regards to compliance with the above laws and regulations and obtained any necessary evidence to corroborate the information provided, for example minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising.

The following audit work was undertaken in response to the risks identified:

- Enquiry of management, those charged with governance, and the charity's solicitors around actual and potential litigation and claims
- Enquiry of management to identify any instances of non-compliance with laws and regulations
- Reviewing minutes of meetings of those charged with governance.
- Reviewing key sources of estimation uncertainty testing to supporting documentation, ensuring reasonableness of assumptions and consistently applied.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of significant transactions outside the normal course of the charity's operations.

We did not identify any key audit matters relating to irregularities, including fraud.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEE OF THE ROMAN CATHOLIC DIOCESE OF HALLAM TRUST

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the charity's trustee, Diocese of Hallam Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustee, as a body, for our audit work, for this report, or for the opinions we have formed.

Warrens GBC Ltd
Statutory Auditor
33 Thorne Road,
Doncaster. DN1 2HD

27th October, 2021

Warrens GBC Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES : For the Year Ended 31st December 2020

| | Note | PARISHES | | CURIA | | 2020 TOTAL £ | 2019 TOTAL £ |
|--|------|-------------------|------------------|------------------|-------------------|--------------------|--------------------|
| | | Unrestricted £ | Restricted £ | Total £ | Unrestricted £ | | |
| INCOME FROM: | | | | | | | |
| Donations & Legacies | | | | | | | |
| Collections and Donations | | 2,082,973 | - | 2,082,973 | 144,439 | 77,161 | 2,304,573 |
| Legacies | | 264,023 | - | 264,023 | 1,500 | - | 39,574 |
| Grants | 3 | 77,048 | 10,585 | 87,633 | 196,893 | 45,475 | 83,440 |
| Charitable Activities | | | | | | | |
| Income from Charitable Activities | 4 | 65,404 | - | 65,404 | 573,864 | 14,117 | 1,078,852 |
| Other Trading Activities | | | | | | | |
| Fundraising - Events | | 54,782 | - | 54,782 | 28,322 | - | 182,203 |
| - Lettings | | 99,184 | - | 99,184 | 9,004 | 4,200 | 261,185 |
| Investment Income | | | | | | | |
| Rental Income from Investment Properties | | 328,305 | - | 328,305 | - | - | 340,358 |
| Other Investment Income | 5 | 231 | 736 | 967 | 92,999 | 23,041 | 138,710 |
| Other Income | | | | | | | |
| Gain on disposal of Fixed Assets | | 7,000 | - | 7,000 | - | - | 1,358,817 |
| TOTAL | | 2,978,950 | 11,321 | 2,990,271 | 1,047,021 | 163,994 | 6,389,812 |
| EXPENDITURE ON: | | | | | | | |
| Raising Funds | 6 | 49,327 | - | 49,327 | 35,075 | 6,750 | 112,234 |
| Charitable Activities | 7 | 2,950,780 | 163,225 | 3,114,005 | 1,659,342 | 381,417 | 5,891,784 |
| TOTAL | | 3,000,107 | 163,225 | 3,163,332 | 1,694,417 | 388,167 | 6,004,018 |
| Net Gains/(Losses) on investments | | 31,918 | (15,304) | 16,614 | 15,196 | (2,465) | 375,395 |
| NET INCOME/(EXPENDITURE) | | 10,761 | (167,208) | (156,447) | (632,200) | (226,638) | 761,189 |

STATEMENT OF FINANCIAL ACTIVITIES : For the Year Ended 31st December 2020

| | PARISHES | | | CURIA | | | 2020 TOTAL £ | 2019 TOTAL £ |
|--------------------------------------|-------------------|------------------|-------------------|-------------------|------------------|------------------|--------------------|--------------------|
| | Unrestricted £ | Restricted £ | Total £ | Unrestricted £ | Restricted £ | Total £ | | |
| NET INCOME/(EXPENDITURE) B/F | 10,761 | (167,208) | (156,447) | (632,200) | (226,638) | (858,838) | (1,015,285) | 761,189 |
| Transfers between Funds: | | | | | | | | |
| Parish Assessments | (542,499) | (12,707) | (555,206) | 555,206 | - | 555,206 | - | - |
| Other Transfers | (135,481) | - | (135,481) | 15,481 | 120,000 | 135,481 | - | - |
| NET MOVEMENT IN FUNDS | (667,219) | (179,915) | (847,134) | (61,513) | (106,638) | (168,151) | (1,015,285) | 761,189 |
| Fund Balances brought forward | 21,180,555 | 5,813,971 | 26,994,526 | 6,489,688 | 2,270,261 | 8,759,949 | 35,754,475 | 34,993,286 |
| Fund Balances carried forward | 20,513,336 | 5,634,056 | 26,147,392 | 6,428,175 | 2,163,623 | 8,591,798 | 34,739,190 | 35,754,475 |

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DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

BALANCE SHEET AS AT 31st DECEMBER 2020

| | Note | 2020 | | | 2019 | | |
|--------------------------------------|------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| | | Parishes £ | Curia £ | Total £ | Parishes £ | Curia £ | Total £ |
| FIXED ASSETS | | | | | | | |
| Tangible Fixed Assets | 12 | 18,037,634 | 4,564,355 | 22,601,989 | 18,937,845 | 3,947,949 | 22,885,794 |
| Investments | 13 | 3,460,442 | 3,929,146 | 7,389,588 | 3,460,746 | 3,942,469 | 7,403,215 |
| | | <u>21,498,076</u> | <u>8,493,501</u> | <u>29,991,577</u> | <u>22,398,591</u> | <u>7,890,418</u> | <u>30,289,009</u> |
| CURRENT ASSETS | | | | | | | |
| Debtors | 14 | 130,953 | 348,066 | 479,019 | 148,606 | 253,074 | 401,680 |
| Cash at Bank & on Deposit | | 1,179,065 | 4,213,400 | 5,392,465 | 1,208,175 | 4,417,098 | 5,625,273 |
| | | <u>1,310,018</u> | <u>4,561,466</u> | <u>5,871,484</u> | <u>1,356,781</u> | <u>4,670,172</u> | <u>6,026,953</u> |
| LIABILITIES: | | | | | | | |
| Amounts falling due within one year | 15 | (85,870) | (1,038,001) | (1,123,871) | (254,875) | (306,612) | (561,487) |
| NET CURRENT ASSETS | | <u>1,224,148</u> | <u>3,523,465</u> | <u>4,747,613</u> | <u>1,101,906</u> | <u>4,363,560</u> | <u>5,465,466</u> |
| PARISH LOAN ACCOUNTS | | | | | | | |
| Loans to Parishes | | (2,602,217) | 2,602,217 | - | (3,807,250) | 3,807,250 | - |
| Parish Deposits | | 6,027,385 | (6,027,385) | - | 7,301,279 | (7,301,279) | - |
| TOTAL NET ASSETS | | <u>26,147,392</u> | <u>8,591,798</u> | <u>34,739,190</u> | <u>26,994,526</u> | <u>8,759,949</u> | <u>35,754,475</u> |
| REPRESENTED BY INCOME FUNDS:- | | | | | | | |
| Restricted Funds | 16 | 5,634,056 | 2,163,623 | 7,797,679 | 5,813,971 | 2,270,261 | 8,084,232 |
| Unrestricted Funds | | | | | | | |
| Designated Funds | 17 | 13,751,989 | 3,056,592 | 16,808,581 | 14,501,913 | 2,424,033 | 16,925,946 |
| Other Unrestricted Funds | 17 | 6,761,347 | 3,371,583 | 10,132,930 | 6,678,642 | 4,065,655 | 10,744,297 |
| | 18 | <u>26,147,392</u> | <u>8,591,798</u> | <u>34,739,190</u> | <u>26,994,526</u> | <u>8,759,949</u> | <u>35,754,475</u> |

The financial statements on pages 13 to 32 were approved by the Finance Board of Diocese of Hallam Trustee, as sole Trustee on 27th October 2021 and signed on its behalf by:-

The Right Reverend Ralph Heskett, C.Ss.R.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

CASH FLOW STATEMENT

For the Year Ended 31st December 2020

| | £ | 2020 £ | £ | 2019 £ |
|---|-------------|------------------|-------------|----------------|
| Net Cash inflow/(outflow) from operating activities (Note a) | | 293,281 | | 121,232 |
| Returns on investments and servicing of finance | | | | |
| Dividends and interest received | 91,645 | | 120,561 | |
| Purchase of tangible fixed assets | (667,706) | | (1,733,210) | |
| Purchase of investments | (1,268,003) | | (290,454) | |
| Proceeds from sale of fixed assets | 7,000 | | 1,561,353 | |
| Proceeds from sale of investments | 1,310,975 | (526,089) | 560,725 | 218,975 |
| (Decrease)/Increase in cash | | (232,808) | | 340,207 |
| <u>Reconciliation of Net Cash flow to movements in net funds</u> | | | | |
| (Decrease)/Increase in cash in the period | | (232,808) | | 340,207 |
| Cash Funds at 1 st January 2020 | | 5,625,273 | | 5,285,066 |
| Cash Funds at 31 st December 2020 | | 5,392,465 | | 5,625,273 |

Notes to the Cash flow Statement

a) Reconciliation of net (outgoing)/incoming resources to net cash inflow/(outflow) from operating activities:-

| | 2020 £ | 2019 £ |
|------------------------------------|----------------|----------------|
| Net incoming/ (outgoing) resources | (1,015,285) | 761,189 |
| Dividends & interest received | (91,645) | (120,561) |
| Depreciation | 951,511 | 917,292 |
| (Increase)/Decrease in Debtors | (77,339) | 75,685 |
| Increase/(Decrease) in Creditors | 562,384 | 221,839 |
| Profit on disposal of fixed assets | (7,000) | (1,358,817) |
| Net (Gains)/Losses on Investments | (29,345) | (375,395) |
| | 293,281 | 121,232 |

b) Changes in cash and cash equivalents

| | 2020 £ | 2019 £ | Change in year £ |
|--------------------------------------|-----------|-----------|---------------------|
| Cash at Bank and Short Term Deposits | 5,392,465 | 5,625,273 | (232,808) |

Within Cash at Bank are funds amounting to £596,543 representing DfE grant money held for Diocesan VA Schools. The corresponding creditor is shown in Note 15.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

1 The financial statements principally reflect the incoming resources and application of resources of the main charity, Roman Catholic Diocese of Hallam Trust and include Parishes, Diocesan Agencies, and Diocesan Organisations. The financial statements also reflect a number of small individual parish trusts and separately registered diocesan charities, which are under the control of Diocese of Hallam Trustee, including the J.J. Eyre Funds and St. Charles Charity (Charity Registration No. 1049619).

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the accounting policies set out below and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102) (Effective 1st January 2019).

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments and are presented in sterling, which is also the functional currency of the charity.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs) except for those financial assets classified as at fair value through the Statement of Financial Activities, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when, and only when, a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debtors

Short term debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

Creditors

Short-term creditors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires the Trustee to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise.

Significant judgements

In the course of preparing the financial statements, the following significant judgements have been made in the process of applying the charity's accounting policies:-

- assessing the probability of the receipt of legacy income;
- assessing the appropriateness of the assumptions and methodology used in determining the fair value of investment properties;
- assessing the recoverability of outstanding debtors and the need for any provision for bad or doubtful debts;
- determining the value of the designated funds needed at the year end to meet specific future expenditure;

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and by their nature, will rarely equal the related actual outcome. The charity does not have any key assumptions concerning the future, or other key sources of estimation uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Notwithstanding this, the charity is required to make estimates as detailed below:

- estimating the accrued expenditure including employees' accrued holiday pay;
- estimating the useful economic life of tangible fixed assets to determine a depreciation charge;
- estimating the cost of the functional fixed assets, including property, that were held at 31st December 1996;

Assessment of Going Concern

The Trustee considers that there are no material uncertainties about the trust's ability to continue as a going concern. There are no key assumptions or estimates that materially affect the items in the accounts.

Income

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations

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 by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the Balance Sheet as deferred income to be released.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

2.2 Fund Accounting

Diocesan activities fall into two categories:

- Parishes - transactions relating to individual Parishes within the Diocese.
- Curia - transactions concerning the Diocese as a whole.

The Funds of the charity are analysed into Restricted and Unrestricted Funds.

Restricted Funds represent amounts received for a specified purpose which had not been expended at the Balance Sheet date. Parish property subject to a Special Trust is also reflected in the Restricted Fund balances.

Unrestricted Funds represent amounts available for the general purposes of the charity. Within Unrestricted Funds, Designated Funds reflect the amounts set-aside for particular projects or purposes, but which may be spent for other general charitable purposes.

The Statement of Financial Activities details Parish and Curial incoming resources and resources expended, analysed between Unrestricted and Restricted Funds.

Parish Income is, under Canon Law, under the control and direction of the Parish Priest who exercises his ministry under the authority of the Bishop. Although the Finance Board of Diocese of Hallam Trustee has ultimate responsibility under civil law for these funds, the juridical person who holds Parish Funds is the Parish Priest, and these funds are unrestricted only in terms of their use within the individual parish.

2.3 Tangible Fixed Assets

Freehold and Leasehold Land and Buildings

(a) Functional Land and Buildings

Churches, Presbyteries, Church Halls, Offices, etc.

i) Freehold Land

Functional Land, (i.e. land used for the prime purpose of the Charity), is included in the financial statements at original cost, or where this is not available at an estimate of its historic cost (or in the case of donated land or land acquired at nil cost, at its fair value at the date of receipt). Freehold land is not depreciated because it has an indefinitely long useful life.

ii) Freehold Buildings

Functional Buildings (i.e. buildings used for the prime purpose of the Charity), which are still in use by the Charity are included in the financial statements at original cost, or in the case of buildings transferred at nil cost on the formation of the Diocese, at an estimate of their fair value at the date of acquisition. All new functional buildings, improvements and major renovations are capitalised at the cost of construction.

Buildings which were in use at 31st December 1996, and additions since that date, are depreciated at rates calculated to write off their estimated historic cost (less the estimated residual value) evenly over the whole of their useful life.

The estimate of the useful life of a building varies depending on the condition and future use of the building. However, in general it is expected that a building in a reasonable state of repair will continue in use without major renovations or improvements for the following period:

| | | |
|-----|-------------------------------|------------------|
| (a) | Unlisted Churches | 25 to 100 years |
| (b) | Cathedral and Listed Churches | 100 to 200 years |
| (c) | Presbyteries | 25 to 50 years |
| (d) | Burghwallis Hall | 100 years |
| (e) | Other buildings | 25 to 75 years |

Depreciation rates are calculated using the age of the building and its expected useful life.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

Padley Martyrs Chapel, Grindleford, Derbyshire is not depreciated because it was built c.1400, is a Grade I listed building and is considered to have an extraordinary long life that cannot be determined. The charity does not recognise this heritage asset in its Balance Sheet as details of its cost and initial valuation are not held, given the nature of the asset and its longevity. The cost of obtaining a value is not commensurate with any benefit to the users of the accounts and given the religious nature of the asset it is extremely unlikely that the monetary value (from sale) will ever be recognised by the charity. The cost of obtaining a valuation has been considered by the charity and it believes it is not justified by the usefulness of the information to the users of the accounts.

iii) Leasehold Land and Buildings

Leasehold land and buildings are depreciated over the life of the lease on a straight-line basis.

Details and addresses of the Diocesan churches and other buildings (both freehold and leasehold) can be found in the Diocesan Year Book.

Voluntary Aided Schools & Catholic Voluntary Academics

i) Land

The charity owns the land on which its Voluntary Aided Schools are built, and the land occupied by Catholic Voluntary Academy Trusts. Each school is an exempt charity under the Charities Act 2011 and occupies the land rent-free. The nature of the occupation of the land by these exempt charities means that the Diocese's Trustee does not have the power to dispose of the land until the school ceases its occupation, which in turn would require the approval of the Governors/Directors and the Secretary of State and may involve the recovery of grant-aid by the DfE. Consequently such land is not in direct use by the charity, does not generate any income, cannot be disposed of on the open market, and cannot be used for any other purpose during the schools' occupation. In view of these restrictions, the Trustee believes the recoverable amount of these assets is nil and they are included at nil valuation.

ii) Buildings

The School buildings are occupied, improved, extended and repaired by the School Governors/Academy Trusts. The nature of the occupation of the buildings by these exempt charities means that the Diocese's Trustee does not have the power to dispose of the buildings until the school ceases its occupation, which in turn would require the approval of the Governors and the Secretary of State and may involve the recovery of grant-aid by the DfE. Consequently such buildings are not in direct use by the charity, do not generate any income, cannot be disposed of on the open market, and cannot be used for any other purpose during the schools' occupation. In view of these restrictions, the Trustee believes the recoverable amount of these assets is nil and they are included at nil valuation.

The School Governors/Academy Trusts account for the building, improvement and repair costs of the schools and account for any grants received in respect of these costs. Grants made by the Diocese through the Diocesan Schools' Building Fund (or occasionally via parishes) to the Governors of Voluntary Aided Schools in order to assist them with their liability for school building costs are charged to the Statement of Financial Activities in the year of payment.

As at 31st December 2020 there were 28 Catholic Voluntary Academics (5 High schools and 23 Primary schools), together with 15 Voluntary Aided Catholic Primary Schools, 1 Voluntary Aided Joint Catholic and Church of England Primary School, 1 Voluntary Aided Catholic High School, 1 Joint Catholic & Church of England Academy primary school and 1 Joint Catholic and Church of England 3-16 Academy in occupation of land and buildings. The charity owns the freehold of 46 of these premises in their entirety, and the freehold and leasehold of one split-site High School. Further details of the Diocesan Voluntary Aided Schools and Catholic Voluntary Academics, are given in the Diocesan Year Book and on the Diocesan website.

(b) Investment Properties and Donated Property awaiting sale.

Investment Properties

Investment properties are shown at the Trustee's best estimate of market value. The majority of the Investment Properties were professionally valued as at 31st December 2016 and all are valued professionally at least every five years. The Investment Properties are spread across the Diocese, and consequently the revaluation was carried out by Burgess Commercial Ltd of Rotherham. The Finance Board of Diocese of Hallam Trustee annually reassesses the value of the investment property portfolio. Any change in value during the year is reported in the "Other Recognised Gains & Losses" section of the Statement of Financial Activities. Further details of the basis of the valuation are given in note 13 to these financial statements. Investment Properties are reflected at market value, therefore no charge for depreciation is made in the financial statements in accordance with accounting standards.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

Fixtures, Fittings and Equipment

Acquisitions with a cost (or fair value in the case of donated items) in excess of £2,500 are capitalised. They are depreciated at rates calculated to write off the cost, less the estimated residual value of each asset evenly over its expected useful life as follows:-

| | |
|--|----------------------|
| Fixtures and Fittings | 10 years |
| Office Equipment | 5 years |
| Computers | 3 years |
| General Equipment | 5 years |
| Church Fixtures & Fittings | 10 to 50 years |
| Presbytery Fixtures & Fittings | 5 to 10 years |
| Residential/Day Centre Furniture & Equipment | 4 to 10 years |
| Motor Vehicles | 20% Reducing Balance |

Works of Art and Historic Treasures

Individual Works of Art, Historic Treasures and Plate are not capitalised as they have extraordinary long lives and are worth preserving perpetually.

2.4 Investments

Investments are stated at their market value as at the Balance Sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

2.5 Foreign currency transactions

The financial statements are presented in Sterling, which is also the functional currency of the charity. Transactions in currencies other than the functional currency of the charity, are recorded at the rate of exchange at the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. All differences are taken to the relevant Support Costs element of the Statement of Financial Activities.

2.6 Pension costs

Contributions towards employee's personal pension schemes and a group personal pension scheme for employees are charged to the Statement of Financial Activities in the year in which they become payable. The Diocese is neither liable to finance any funding shortfall, nor entitled to benefit from any over-funding. During the year contributions were made for one employee to the Teachers' Pension Scheme ("the TPS"), an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Scheme Regulations 2015. The employer's contribution is set by the TPS. As at 31st December 2020 the rate was 23.68% (including a scheme administration levy). The TPS represents a collective scheme and it is not possible to separately identify the assets and liabilities attributable to a particular employer. The Diocese has neither a commitment to make good any actuarial deficit, nor an entitlement to benefit from any over funding. Retirement and other pension benefits are paid by public funds provided by Parliament.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

| 3. Grants | Parishes 2020 £ | Curia 2020 £ | Total 2020 £ | Total 2019 £ |
|--|-----------------------|--------------------|--------------------|--------------------|
| Government Grant: CJRS [Exceptional item] | 57,048 | 100,782 | 157,830 | - |
| Other Grants | 30,585 | 141,586 | 172,171 | 83,440 |
| | <u>87,633</u> | <u>242,368</u> | <u>330,001</u> | <u>83,440</u> |
| | | | | |
| 4 Income from Charitable Activities | Parishes 2020 £ | Curia 2020 £ | Total 2020 £ | Total 2019 £ |
| Repositories, Bookstalls & Sale of Newspapers | 11,268 | - | 11,268 | 36,981 |
| Chaplaincies | 18,558 | - | 18,558 | 22,857 |
| Other Parish charitable income | 35,578 | - | 35,578 | 72,349 |
| St. Wilfrid's Centre | - | 213,078 | 213,078 | 245,914 |
| St. Wilfrid's Place | - | 73,595 | 73,595 | 92,439 |
| Caring Services | - | 75,273 | 75,273 | 86,283 |
| Schools' Department | - | 219,925 | 219,925 | 241,937 |
| Youth Activities | - | - | - | 3,667 |
| Adult Formation & Mission Courses | - | 1,160 | 1,160 | 2,035 |
| Pastoral Centre | - | 3,760 | 3,760 | 10,981 |
| Tribunal | - | 1,190 | 1,190 | 1,815 |
| Finance Department | - | - | - | 1,500 |
| Pilgrimages | - | - | - | 260,094 |
| | <u>65,404</u> | <u>587,981</u> | <u>653,385</u> | <u>1,078,852</u> |
| | | | | |
| 5. Other Investment Income | Parishes 2020 £ | Curia 2020 £ | Total 2020 £ | Total 2019 £ |
| Interest on cash deposits | 236 | 4,090 | 4,326 | 8,427 |
| Listed Investment income and other investment income | 731 | 86,588 | 87,319 | 112,134 |
| Member's Award - Catholic National Mutual Ltd | - | 18,359 | 18,359 | 18,149 |
| Member's Award - Inter-Diocesan Fuel Management Ltd | - | 7,003 | 7,003 | - |
| | <u>967</u> | <u>116,040</u> | <u>117,007</u> | <u>138,710</u> |
| | | | | |
| 6. Expenditure on Raising Funds | Parishes 2020 £ | Curia 2020 £ | Total 2020 £ | Total 2019 £ |
| Fund-raising costs | 15,438 | 11,774 | 27,212 | 38,624 |
| Bank Charges | 19,000 | 4,161 | 23,161 | 27,078 |
| Investment Management Costs | - | 25,890 | 25,890 | 26,635 |
| Investment Property Management & Expenses | 14,889 | - | 14,889 | 19,897 |
| | <u>49,327</u> | <u>41,825</u> | <u>91,152</u> | <u>112,234</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

7. Charitable Activities

| <u>Parishes</u> | Direct Costs £ | Support Costs £ | Total 2020 £ | Total 2019 £ |
|--|----------------------|-----------------------|--------------------|--------------------|
| Church Altar & Liturgy | 78,007 | - | 78,007 | 165,630 |
| Parish general running costs | 926,459 | - | 926,459 | 994,491 |
| Property repairs and maintenance | 614,667 | - | 614,667 | 784,017 |
| Clergy costs including travel expenses | 336,730 | - | 336,730 | 395,362 |
| Staff Costs | 234,348 | - | 234,348 | 275,839 |
| Depreciation | 816,286 | - | 816,286 | 800,395 |
| Repository, Bookstall & Newspaper expenses | 22,757 | - | 22,757 | 45,800 |
| Grants to Schools | 3,500 | - | 3,500 | 3,967 |
| Payments to Religious Orders re Parish Sisters | 18,228 | - | 18,228 | 20,856 |
| Professional fees | - | 6,110 | 6,110 | 1,582 |
| Other Donations & Grants | 56,913 | - | 56,913 | 79,203 |
| | <u>3,107,895</u> | <u>6,110</u> | <u>3,114,005</u> | <u>3,567,142</u> |

| <u>Curia</u> | Direct Costs £ | Support Costs £ | Total 2020 £ | Total 2019 £ |
|---|----------------------|-----------------------|--------------------|--------------------|
| Bishop of Hallam's Office & Mensa | 78,118 | - | 78,118 | 74,989 |
| General Diocesan Expenditure | 29,711 | - | 29,711 | 27,517 |
| Safeguarding | 74,387 | - | 74,387 | 77,588 |
| MissionHub & University Chaplaincies | 62,708 | - | 62,708 | 48,778 |
| Hallam Pastoral Centre | 15,650 | - | 15,650 | 16,745 |
| Adoremus (National Eucharistic Congress) | - | - | - | (4,618) |
| Schools' Department | 313,705 | - | 313,705 | 327,936 |
| Adult Formation & Mission | 44,464 | - | 44,464 | 48,957 |
| Property Department | 54,113 | - | 54,113 | 47,822 |
| Health & Safety | 15,288 | - | 15,288 | 15,228 |
| Tribunal | 39,689 | - | 39,689 | 40,127 |
| Youth Ministry | (392) | - | (392) | 13,538 |
| Finance Department | - | 86,667 | 86,667 | 86,363 |
| Hallam News | 11,164 | - | 11,164 | 20,026 |
| Clergy Formation & Training | 103,515 | - | 103,515 | 76,009 |
| Clergy Support | 4,301 | - | 4,301 | 28,929 |
| Sick & Retired Clergy | 157,212 | - | 157,212 | 175,718 |
| National Levies | 57,179 | - | 57,179 | 58,944 |
| Grants to Schools | 35,740 | - | 35,740 | 11,147 |
| Caritas Hallam | 209,835 | 5,129 | 214,964 | 185,938 |
| Padley Chapel | 6,174 | - | 6,174 | 13,267 |
| St Wilfrid's Centre | 464,440 | 4,958 | 469,398 | 478,138 |
| St Wilfrid's Place | 64,314 | 420 | 64,734 | 78,332 |
| Burghwallis Hall (former St Anne's Rest Home) | 44,312 | - | 44,312 | 59,440 |
| Pilgrimages | 6,809 | - | 6,809 | 262,579 |
| Professional fees | - | 51,149 | 51,149 | 55,205 |
| | <u>1,892,436</u> | <u>148,323</u> | <u>2,040,759</u> | <u>2,324,642</u> |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

| | | | | | |
|----------|--|-----------------|----------------|----------------|----------------|
| 8 | Allocated Support Costs | Parishes | Curia | Total | Total |
| | | 2020 | 2020 | 2020 | 2019 |
| | | £ | £ | £ | £ |
| | Finance Department | - | 86,667 | 86,667 | 86,363 |
| | Governance - Legal & Other Professional Fees | 6,110 | 600 | 6,710 | 8,067 |
| | Audit | - | 12,450 | 12,450 | 12,840 |
| | Accountancy | - | 48,606 | 48,606 | 42,621 |
| | | <u>6,110</u> | <u>148,323</u> | <u>154,433</u> | <u>149,891</u> |

| | | | |
|----------|--------------------------------------|------------------|------------------|
| 9 | Staff Costs | Total | Total |
| | | 2020 | 2019 |
| | | £ | £ |
| | Salaries | 1,197,157 | 1,245,753 |
| | Social Security Costs | 85,290 | 86,206 |
| | Pension Costs | 57,467 | 60,981 |
| | | <u>1,339,914</u> | <u>1,392,940</u> |
| | Average number of employees:- | 2020 | 2019 |
| | <i>Direct Charitable activities</i> | | |
| | Parishes | 52 | 39 |
| | Curia | | |
| | Diocesan Departments & Agencies | 17 | 41 |
| | Diocesan Organisations | 29 | 27 |
| | | <u>98</u> | <u>107</u> |

The number of employees whose emoluments fell within the following band was:-

| | | |
|-------------------|-------------|-------------|
| | 2020 | 2019 |
| £60,001 - £70,000 | 1 | - |
| £70,001 - £80,000 | 1 | 1 |
| | <u>1</u> | <u>1</u> |

During the year, pension contributions for the above amounted to £21,559 (2019: £12,179).

The cost of Key management personnel (salary, employer's national insurance and employer's pension contributions) was £222,931 (2019: £204,038).

Clergy are not included within the above as they are Office Holders and not employees of the Charity. Payments to Clergy amounted to £414,558 (2019: £468,633). Payments to Religious Orders for Parish Sisters amounted to £18,228 (2019: £20,856).

In addition to employees, the Charity has a number of unpaid volunteers who help in the parishes and in Diocesan Organisations.

DIOCESE OF HALLAM
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NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

10 Trustees (Finance Board Members) Information

The sole Trustee of the Roman Catholic Diocese of Hallam Trust is a Trust Corporation, Diocese of Hallam Trustee. The directors of Diocese of Hallam Trustee are known as Members of the Finance Board and are Trustees in law. None of the Members of the Finance Board received remuneration for their role as Trustees. Five Members of the Finance Board who served during the year are Roman Catholic Priests of the Diocese, and were housed and remunerated within their parishes. To assist him in the performance of his duties, the Bishop is provided with a house, and his expenses in carrying out his office are met from Curial Funds.

None of the Members of the Finance Board received any reimbursement of expenses arising from their position as Trustees.

11 Indemnity Insurance

Indemnity Insurance for £5 million cover was incorporated in the overall public liability and buildings insurance arrangements made for the charity.

12 Tangible Fixed Assets

| | Freehold Land and Buildings £ | Leasehold Land and Buildings £ | Fixtures, Fittings, and Equipment £ | Motor Vehicles £ | Total £ |
|---------------------------------------|--|---|--|---------------------------------|--------------------------|
| Cost/Fair value at acquisition | | | | | |
| As at 1st January 2020 | 40,448,670 | 940,483 | 2,097,197 | 33,985 | 43,520,335 |
| Additions | 469,310 | 148,550 | 49,846 | - | 667,706 |
| As at 31st December 2020 | <u>40,917,980</u> | <u>1,089,033</u> | <u>2,147,043</u> | <u>33,985</u> | <u>44,188,041</u> |
| Depreciation | | | | | |
| As at 1st January 2020 | 18,638,022 | 604,427 | 1,385,295 | 6,797 | 20,634,541 |
| Charge for the Year | 843,494 | 20,750 | 80,470 | 6,797 | 951,511 |
| As at 31st December 2020 | <u>19,481,516</u> | <u>625,177</u> | <u>1,465,765</u> | <u>13,594</u> | <u>21,586,052</u> |
| Net Book Value | | | | | |
| As at 31st December 2020 | <u><u>21,436,464</u></u> | <u><u>463,856</u></u> | <u><u>681,278</u></u> | <u><u>20,391</u></u> | <u><u>22,601,989</u></u> |
| As at 31st December 2019 | <u>21,810,648</u> | <u>336,056</u> | <u>711,902</u> | <u>27,188</u> | <u>22,885,794</u> |

Net Book Value as at 31st December 2020 represents fixed assets used for:-

Parish purposes £18,037,634 (2019 : £18,937,845)
Curial purposes £ 4,564,355 (2019 : £ 3,947,949)

Land and buildings occupied by Catholic Voluntary Academies and Voluntary Aided Schools are not capitalised because they are considered to be of nil value (see accounting policy note 2.3a for further details).

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

13 Fixed Asset Investments

| | 2020 | 2019 |
|--|-------------------------|-------------------------|
| | £ | £ |
| (a) Listed Investments | | |
| Market Value 1st January 2020 | 3,730,979 | 3,365,765 |
| Acquisitions | 1,268,003 | 290,454 |
| Disposals at Opening Value (Note I) | (1,311,573) | (264,694) |
| Net unrealised investment gains/(losses) | 124,674 | 339,454 |
| | <u>3,812,083</u> | <u>3,730,979</u> |
| (b) Unlisted Investments | | |
| The Catholic National Mutual Limited | <u>4,000</u> | <u>4,000</u> |
| (c) National Savings Deposits & Bonds | | |
| Market Value at 1st January 2020 | <u>99,000</u> | <u>99,000</u> |
| Market Value at 31st December 2020 | <u>99,000</u> | <u>99,000</u> |
| (d) Cash deposits – pending reinvestment | | |
| Stockbroker's deposit accounts | <u>42,055</u> | <u>151,786</u> |
| | 2020 | 2019 |
| | £ | £ |
| (e) Investment Properties | | |
| Market Value at 1st January 2020 | 3,417,450 | 3,662,087 |
| Disposals at Opening Value (Note II) | (20,000) | (244,637) |
| Net gain/(loss) on revaluation | 35,000 | - |
| | <u>3,432,450</u> | <u>3,417,450</u> |
| TOTAL FIXED ASSET INVESTMENTS | <u>7,389,588</u> | <u>7,403,215</u> |

\ Continued on Page 27

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

13 Fixed Asset Investments (Continued)

| | 2020 | 2019 |
|----------------------|-------------|-------------|
| | £ | £ |
| Note (I) | | |
| Proceeds | 1,184,326 | 300,635 |
| Realised (Gain)/Loss | 127,247 | (35,941) |
| | 1,311,573 | 264,694 |
| | 1,311,573 | 264,694 |
| | | |
| | 2020 | 2019 |
| | £ | £ |
| Note (II) | | |
| Proceeds | 16,918 | 244,637 |
| Realised (Gain)/Loss | 3,082 | - |
| | 20,000 | 244,637 |
| | 20,000 | 244,637 |

Market Value at 31st December 2020 represented investments held for:-

Parish purposes £3,460,442 (2019: £3,460,746)
Curial purposes £3,929,146 (2019: £3,942,469)

The historical cost of listed investments is £2,975,432 (2019: £2,653,528).

The unlisted investment in The Catholic National Mutual Limited can only be disposed of *at par*, and the historical cost of that investment is £4,000.

Investment Properties are based at the Trustee's best estimate of fair value at the Balance Sheet date.

The Investment Properties were acquired at nil cost on formation of the Diocese in 1980 and on the subsequent transfer of one parish from a separate trustee. The majority of the investment properties were revalued professionally as at 31st December 2016 at open market value by Burgess Commercial Ltd of Rotherham. Within the last five years the other investment properties were revalued by PPH Commercial LLP of Doncaster, Fisher German LLP of Retford and Wilby's of Barnsley. A professional external valuation of the Investment Properties is undertaken every 5 years.

All investment properties are situated in the UK.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

14 Debtors

| | 2020 | 2019 |
|--|----------------|----------------|
| | £ | £ |
| Amounts falling due within one year | | |
| Accrued Interest receivable | 120 | 2,881 |
| Gift Aid Tax recoverable | 7,367 | 5,788 |
| Grant Debtors | 30,141 | 5,000 |
| Other Debtors | 347,968 | 266,030 |
| Prepayments | 77,894 | 101,808 |
| Pastoral Loans | 15,529 | 20,173 |
| | <u>479,019</u> | <u>401,680</u> |

The Pastoral Loans made are to priests, interest free and repayable on demand.

All debtors are repayable within one year.

15 Liabilities: Amounts falling due within one year

| | 2020 | 2019 |
|---|------------------|----------------|
| | £ | £ |
| Sundry Creditors | 375,741 | 394,350 |
| DfE LCVAP funding held for Diocesan Voluntary Aided Schools | 596,543 | - |
| Deferred Grants | - | 10,071 |
| PAYE Creditor | 6,372 | 5,193 |
| Third Party Collections | 33,504 | 24,741 |
| Accruals | 111,711 | 127,132 |
| | <u>1,123,871</u> | <u>561,487</u> |

Deferred Grants relate to monies received in advance of services to be provided in connection with St Wilfrid's Centre.

DIOCESE OF HALLAM
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NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

16 Restricted Funds

| | Balance 1.1.20 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.20 £ |
|---------------------------------------|------------------------|----------------|------------------|----------------|---------------------------------------|--------------------------|
| <u>Parish Funds</u> | | | | | | |
| Parish Restricted Property | 5,188,932 | - | (150,287) | - | - | 5,038,645 |
| J.J. Eyre Fund (St Vincent's) | 40,791 | 208 | (3,020) | - | (6,185) | 31,794 |
| J.J. Eyre Fund (St Marie's) | 46,051 | 528 | - | - | (9,119) | 37,460 |
| Other Restricted Parish Funds | 538,197 | 10,585 | (9,918) | (12,707) | - | 526,157 |
| <u>Curial Funds</u> | | | | | | |
| Sick & Retired Clergy Fund | 463,603 | 60,583 | (161,864) | 120,000 | 1,551 | 483,873 |
| Priests' Training Fund | 119,222 | 10,044 | (105,613) | - | (4,016) | 19,637 |
| Foundation Masses Fund | 22,518 | 101 | (101) | - | - | 22,518 |
| Diocesan Schools' Building Fund | 76,076 | 33,174 | (35,740) | - | - | 73,510 |
| The Gerard Postlethwaite Camino Fund | 41,000 | 500 | (3,500) | - | - | 38,000 |
| Lourdes Pilgrimage : Restricted Fund | 1,500 | - | - | - | - | 1,500 |
| St. Wilfrid's Centre Restricted Funds | 32,951 | 59,592 | (41,953) | - | - | 50,590 |
| St. Wilfrid's Place Restricted Fund | 1,513,391 | - | (39,396) | - | - | 1,473,995 |
| | <u>8,084,232</u> | <u>175,315</u> | <u>(551,392)</u> | <u>107,293</u> | <u>(17,769)</u> | <u>7,797,679</u> |

- (a) Parish Restricted Property Fund - This Fund represents the Parish property that is subject to a Special Trust, at its net book value at the Balance Sheet date.
- (b) Other Restricted Parish Funds – This Fund predominantly represents funds arising from the disposal of Solly Street by St Vincent's Parish, which are to be used only for the benefit of that parish.
- (c) St Wilfrid's Place Restricted Fund – This Fund represents the amounts received in respect of a project in Sheffield to provide supported housing, for adults, which had not been expended at the Balance Sheet date.
- (d) Sick & Retired Clergy Fund - This Fund represents the amounts received to meet the costs involved in the assistance of sick and retired Clergy of the Diocese, which had not been expended at the Balance Sheet date.
- (e) Priests' Training Fund - This Fund represents the amounts received towards the training, formation and development of Clergy, which had not been expended at the Balance Sheet date.

17 Unrestricted Funds

| | Balance 1.1.20 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.20 £ |
|--------------------------------|------------------------|------------------|--------------------|------------------|---------------------------------------|--------------------------|
| <u>Parish Funds</u> | | | | | | |
| General Fund | 6,678,642 | 2,978,950 | (2,334,108) | (594,055) | 31,918 | 6,761,347 |
| Designated Funds | | | | | | |
| Parishes Fund for Fixed Assets | 14,501,913 | - | (665,999) | (83,925) | - | 13,751,989 |
| | <u>21,180,555</u> | <u>2,978,950</u> | <u>(3,000,107)</u> | <u>(677,980)</u> | <u>31,918</u> | <u>20,513,336</u> |

DIOCESE OF HALLAM
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NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

17 Unrestricted Funds (Continued)

| | Balance 1.1.20 £ | Income £ | Expenditure £ | Transfers £ | Investment Gains/ (Losses) £ | Balance 31.12.20 £ |
|--------------------------------|------------------------|------------------|--------------------|----------------|---------------------------------------|--------------------------|
| <u>Curial Funds</u> | | | | | | |
| General Funds | 4,065,655 | 398,127 | (946,730) | (159,159) | 13,690 | 3,371,583 |
| Designated Funds | | | | | | |
| Curial Fund for Fixed Assets | 1,042,231 | - | (51,902) | 733,319 | - | 1,723,648 |
| Universities Chaplaincies Fund | 2,093 | - | (4) | (2,089) | - | - |
| Needy Parishes Fund | 22,818 | 1,052 | - | - | - | 23,870 |
| Caritas Hallam Fund | 396,070 | 138,560 | (225,016) | (1,384) | 1,506 | 309,736 |
| St. Wilfrid's Centre Funds | 376,713 | 430,441 | (438,572) | 30,259 | - | 398,841 |
| St. Wilfrid's Place Fund | 511,769 | 73,595 | (25,338) | (30,259) | - | 529,767 |
| Lourdes Pilgrimage Fund | 68,490 | 5,244 | (6,838) | - | - | 66,896 |
| Walsingham Pilgrimage Fund | 3,849 | 2 | (17) | - | - | 3,834 |
| | <u>6,489,688</u> | <u>1,047,021</u> | <u>(1,694,417)</u> | <u>570,687</u> | <u>15,196</u> | <u>6,428,175</u> |

(a) Parish Fund for Fixed Assets - This Fund comprises the amount of the net book value of fixed assets for Parish use at the balance sheet date.

(b) Curial Fund for Fixed Assets - This Fund comprises the amount of the net book value of fixed assets for general Diocesan use at the balance sheet date.

(c) Caritas Hallam Fund – This Fund represents the amount designated for the activities of Caritas Hallam.

(d) St Wilfrid's Centre Funds – This represents funds designated for the operation of St Wilfrid's Centre.

(e) St Wilfrid's Place Fund – This Fund represents the amount designated in respect of a project in Sheffield providing supported housing, for adults, which had not been expended at the Balance Sheet date.

18 Analysis of Net Assets Between Funds

| | Unrestricted Funds 2020 £ | Restricted Funds 2020 £ | Total Funds 2020 £ |
|---|------------------------------------|----------------------------------|-----------------------------|
| Fund Balances at 31st December 2020 | 26,941,511 | 7,797,679 | 34,739,190 |
| Represented by:- | | | |
| Tangible Fixed Assets | 16,749,002 | 5,852,987 | 22,601,989 |
| Investments | 5,614,265 | 1,775,323 | 7,389,588 |
| Current Assets | 6,211,434 | 199,046 | 6,410,480 |
| Inter-fund offset | (524,268) | 524,268 | - |
| Liabilities : Amounts falling due within one year | (1,108,922) | (553,945) | (1,662,867) |
| Total Net Assets | 26,941,511 | 7,797,679 | 34,739,190 |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

19 Detailed Analysis of Net Assets Between Funds

| PARISHES | Tangible Fixed Assets | Investments | Net Assets | Inter-Fund Loans | TOTAL |
|---------------------------------|----------------------------------|--------------------|-----------------------|-----------------------------|--------------|
| | £ | £ | £ | £ | £ |
| Restricted Funds | | | | | |
| Parish Restricted Property Fund | 4,285,645 | 753,000 | - | - | 5,038,645 |
| J.J. Eyre Fund (St Vincent's) | - | 11,575 | 20,219 | - | 31,794 |
| J.J. Eyre Fund (St. Marie's) | - | 16,417 | 21,043 | - | 37,460 |
| Other Restricted Parish Funds | - | - | 1,889 | 524,268 | 526,157 |
| Unrestricted Funds | | | | | |
| <i>Designated</i> | | | | | |
| Parishes Fund for Fixed Assets | 13,751,989 | - | - | - | 13,751,989 |
| <i>Other Unrestricted Funds</i> | | | | | |
| General Reserves | - | 2,679,450 | 1,180,997 | 2,900,900 | 6,761,347 |
| | 18,037,634 | 3,460,442 | 1,224,148 | 3,425,168 | 26,147,392 |

| CURIA | Tangible Fixed Assets | Investments | Net Assets | Inter-Fund Loans | TOTAL |
|---|----------------------------------|--------------------|-----------------------|-----------------------------|--------------|
| | £ | £ | £ | £ | £ |
| Restricted Funds | | | | | |
| Sick & Retired Clergy Fund | 69,956 | 684,307 | (270,390) | - | 483,873 |
| Priests' Training Fund | - | 301,024 | (281,387) | - | 19,637 |
| Foundation Masses Fund | - | 9,000 | 13,518 | - | 22,518 |
| Diocesan Schools' Building Fund | - | - | 73,510 | - | 73,510 |
| The Gerard Postlethwaite Camino Fund | - | - | 38,000 | - | 38,000 |
| St. Wilfrid's Centre: Restricted Grants | 23,391 | - | 27,199 | - | 50,590 |
| St. Wilfrid's Place Restricted | 1,473,995 | - | - | - | 1,473,995 |
| Lourdes Pilgrimage: Sick Child Fund | - | - | 1,500 | - | 1,500 |
| | 1,567,342 | 994,331 | (398,050) | - | 2,163,623 |
| Unrestricted Funds | | | | | |
| <i>Designated</i> | | | | | |
| Curial Fund for Fixed Assets | 1,723,648 | - | - | - | 1,723,648 |
| Needy Parishes Fund | - | - | 23,870 | - | 23,870 |
| Caritas Hallam Fund | - | 275,329 | 34,407 | - | 309,736 |
| St. Wilfrid's Centre Funds | 238,118 | - | 201,818 | (41,095) | 398,841 |
| St. Wilfrid's Place Fund | 425,947 | - | 62,725 | 41,095 | 529,767 |
| Lourdes Pilgrimage Fund | - | - | 49,484 | 17,412 | 66,896 |
| Walsingham Pilgrimage Fund | - | - | 3,834 | - | 3,834 |
| <i>Other Unrestricted Funds</i> | | | | | |
| General Reserves | 609,300 | 2,659,486 | 3,545,377 | (3,442,580) | 3,371,583 |
| | 4,564,355 | 3,929,146 | 3,523,465 | (3,425,168) | 8,591,798 |

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31st December 2020

20 Third Party Collections

Third Party collections are taken in Churches with the permission of the Charity but the funds are not under the control of the Charity and are excluded from the Statement of Financial Activities.

21 Entitlement to Future Legacies

Legacies are recognised when there is entitlement, certainty of receipt, and the legacy can be measured. The charity considers that entitlement is when estate accounts are settled/there is notification of a distribution.

22 Connected Charities and Related Party Transactions

The Bishop of Hallam appoints Foundation Governors to the Governing Bodies of Diocesan Schools and Foundation Directors of Catholic Voluntary Academies. Foundation Governors/Directors form a majority in each school. The addresses of Diocesan Schools are detailed in the Diocesan Year Book. Grants made by the charity to Voluntary Aided schools for building and repair costs, through the Diocesan Schools Building Fund amounted to £35,740 (2019: £11,147). In addition grants to Schools by Parishes amounted to £3,500 in the Year (2019: £3,967). Diocese of Hallam Trustee is also Trustee of St. Michael's Roman Catholic Church and Presbytery, Hathersage, a separate charity.

23 Financial Instruments

The charity had the following financial instruments:

| | 2020 £ | 2019 £ |
|---|-----------|-----------|
| Financial assets at fair value through Statement of Financial Activities: | | |
| Fixed asset investments | 7,389,588 | 7,403,215 |
| Financial assets that are debt instruments measured at amortised cost: | | |
| Cash at Bank | 5,392,465 | 5,625,273 |
| Debtors | 401,125 | 299,872 |
| Financial liabilities measured at amortised cost: | | |
| Creditors | 1,012,160 | 424,284 |
| | 1,012,160 | 424,284 |

24 Commitments

| | 2020 £ | 2019 £ |
|---|-----------|-----------|
| <i>Authorised:-</i> | | |
| Parish Expenditure | 53,149 | 97,462 |
| Curial Expenditure | - | 126,526 |
| Grants to Schools | 35,477 | - |
| Included in amounts authorised are net amounts contracted for : | 53,149 | 92,002 |

25 Post Balance Sheet Non Adjusting Events

During and subsequent to the financial year end, the Charity has been affected by the worldwide impact of the COVID-19 virus. The Trustees have assessed the impact on the Charity and implemented appropriate controls to mitigate the issues arising from the outbreak. The Charity has continued to operate during the period. The full financial and other impacts of the ongoing issues cannot be fully ascertained at present. The Trustees have assessed the Charity's current and anticipated ongoing requirements and believe that the COVID-19 issues will not impact on the Charity's ability to continue as a going concern.