

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)

CONTENTS

	Page
Legal & Administrative Details	1
Annual Report	2 - 9
Independent Auditor's Report	10 - 12
Statement of Financial Activities	13 - 14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Financial Statements	17 - 32

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.

DIOCESE OF HALLAM

(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.

DIOCESE OF HALLAM

(Roman Catholic Diocese of Hallam Trust)

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.

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

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.

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

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

(Roman Catholic Diocese of Hallam Trust)

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

(Roman Catholic Diocese of Hallam Trust)

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 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 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.

DIOCESE OF HALLAM

(Roman Catholic Diocese of Hallam Trust)

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 Offertories 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 regulatory 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				2023		2022	
	Unrestricted	Restricted	Total	£	Unrestricted	Restricted	Total	£	TOTAL	£	TOTAL	£
Note	£	£	£		£	£	£					
INCOME FROM:												
Donations & Legacies												
Collections and Donations	2,547,304	-	2,547,304		184,917	15,550	200,467		2,747,771		2,643,368	
Legacies	525,244	-	525,244		33,402	-	33,402		558,646		307,154	
Grants	10,458	-	10,458		105,270	-	105,270		115,728		201,590	
Charitable Activities												
Income from Charitable Activities	93,562	-	93,562		1,067,344	18,852	1,086,196		1,179,758		941,767	
Other Trading Activities												
Fundraising - Events	109,655	-	109,655		1,977	-	1,977		111,632		92,007	
Lettings	243,215	-	243,215		14,872	1,750	16,622		259,837		193,042	
Investment Income												
Rental Income from Investment Properties	343,159	-	343,159		-	-	-		343,159		399,429	
Other Investment Income	2,000	2,938	4,938		148,142	22,681	170,823		175,761		95,968	
Other Income												
Gain on disposal of Fixed Assets	37,332	-	37,332		-	-	-		37,332		-	
TOTAL	3,911,929	2,938	3,914,867		1,555,924	58,833	1,614,757		5,529,624		4,874,325	
EXPENDITURE ON:												
Raising Funds	96,283	-	96,283		33,398	6,349	39,747		136,030		200,685	
Charitable Activities	3,209,839	160,654	3,370,493		2,243,269	297,426	2,540,695		5,911,188		5,214,999	
TOTAL	3,306,122	160,654	3,466,776		2,276,667	303,775	2,580,442		6,047,218		5,415,684	
Net Gains/(Losses) on investments	(600)	8,633	8,033		122,679	(5,321)	117,358		125,391		646,841	
NET INCOME/(EXPENDITURE)	605,207	(149,083)	456,124		(598,064)	(250,263)	(848,327)		(392,203)		105,482	

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

	PARISHES			CURIA			2023 TOTAL £	2022 TOTAL £
	<u>Note</u>	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	
		£	£	£	£	£	£	
NET INCOME/(EXPENDITURE) B/F		605,207	(149,083)	456,124	(598,064)	(250,263)	(848,327)	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)	105,482
Fund Balances brought forward		20,568,822	6,050,530	26,619,352	6,191,230	1,672,868	7,864,098	34,377,968
Fund Balances carried forward	19	20,591,569	5,888,275	26,479,844	6,140,409	1,470,994	7,611,403	34,483,450

DIOCESE OF HALLAM
(Roman Catholic Diocese of Hallam Trust)

BALANCE SHEET AS AT 31st DECEMBER 2023

2023				2022			
	Note	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
		<u>20,806,878</u>	<u>7,890,109</u>	<u>28,696,987</u>	<u>21,270,644</u>	<u>7,639,914</u>	<u>28,910,558</u>
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
		<u>1,836,187</u>	<u>4,603,659</u>	<u>6,439,846</u>	<u>1,798,420</u>	<u>4,926,223</u>	<u>6,724,643</u>
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		<u>1,692,950</u>	<u>3,701,310</u>	<u>5,394,260</u>	<u>1,743,228</u>	<u>3,829,664</u>	<u>5,572,892</u>
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		<u>26,479,844</u>	<u>7,611,403</u>	<u>34,091,247</u>	<u>26,619,352</u>	<u>7,864,098</u>	<u>34,483,450</u>
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	<u>26,479,844</u>	<u>7,611,403</u>	<u>34,091,247</u>	<u>26,619,352</u>	<u>7,864,098</u>	<u>34,483,450</u>

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	(263,604)	(134,508)
Increase/(Decrease) in cash	56,246	(353,541)
 <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	5,344,741	5,698,282
Cash Funds at 31 st December 2023	5,400,987	5,344,741

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)
	319,850	(219,033)

b) Changes in cash and cash equivalents

	2023	2022	Change in year
	£	£	£
Cash at Bank and Short Term Deposits	5,400,987	5,344,741	56,246

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.

DIOCESE OF HALLAM
(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
<u>Direct Charitable activities</u>		
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

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	40,985,382	1,089,033	2,138,086	33,985	44,246,486
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	21,567,209	662,817	1,525,797	33,985	23,789,808
Net Book Value					
As at 31st December 2023	19,418,173	426,216	612,289	-	20,456,678
As at 31st December 2022	19,594,161	434,659	666,028	6,797	20,701,645

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>
Market Value at 31st December 2023	<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>
	2023	2022
	£	£
(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>
Market Value at 31st December 2023	<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
	<u>1,493,091</u>	<u>424,192</u>
	2023	2022
	£	£
Note (II)		
Proceeds	72,213	-
Realised (Gain)/Loss	600	-
	<u>72,813</u>	<u>-</u>

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
DfE 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 £
<u>Curial Funds</u>						
General Funds	3,199,358	652,986	(1,279,397)	268,046	111,003	2,951,996
<u>Designated Funds</u>						
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					
<u>Designated</u>					
Parishes Fund for Fixed Assets	12,568,872	-	-	-	12,568,872
<u>Other Unrestricted Funds</u>					
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	Tangible Fixed Assets	Investments	Net Assets	Inter-Fund Loans	TOTAL
	£	£	£	£	£
Restricted Funds					
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					
<u>Designated</u>					
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
<u>Other Unrestricted Funds</u>					
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
	1,045,586	1,151,751

24 Commitments

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