

DIOCESE OF WREXHAM
CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

DIOCESE OF WREXHAM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Rt Rev P Brignall
Mr K McDonogh
Canon T Carr
Mr C Ryan
Canon F G Doyle
Fr N Enzama
Mrs E Davies
Deacon D Gozzard
Mrs A J Snowden
Dr A J McCulloch

Charity number

700426

Principal address

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DIOCESE OF WREXHAM

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DIOCESE OF WREXHAM

TRUSTEES REPORT

FOR THE YEAR ENDED 5 APRIL 2023

The Trustees present their annual report and financial statements for the year ended 5 April 2023.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Trustees are incorporated as 'Wrexham Diocesan Trustees Registered'.

Constitution:

1. The Roman Catholic Diocese of Wrexham was established by a decree of Pope John Paul II on 18 March 1987, and consists of the Counties Conwy, Anglesey, Denbighshire, Flintshire, Gwynedd, Wrexham and the District of Montgomery in the County of Powys. There are twenty nine parishes in this area, divided into four Episcopal Vicariates. The Diocese is a charitable trust established and constituted by a Trust Deed dated 20 June 1988 and is registered under the Charities Act 1993, Charity registration Number 700426.

2. The Trustees were incorporated on 7 November 1991 as the Wrexham Diocesan Trustees Registered, and operate under the title 'Diocese of Wrexham'. The names of the Trustees during the period covered by this report are shown under Legal and Administrative information. For convenience, the Trustees may be referred to as 'The Board of Trustees'.

3. The Diocesan Bishop, in accordance with the Trust Deed, is authorised to appoint new trustees to fill vacancies arising through the resignation or death of an existing trustee. Appointment of trustees is governed by the Trust Deed of the Charity. The Diocesan Bishop is also authorised to remove trustees. The Diocesan Bishop has an obligation to supervise the administration of property and finances of the Diocese, but the duty and right of control remains that of the Trustees in charity law. Under the terms of the Trust Deed the Bishop may be a trustee of the charity.

4. The Board of Trustees comprises clergy and laity of the faithful. The clergy Trustees are appointed for their expertise in parochial, spiritual and pastoral matters, and sometimes for other additional experience. Lay Trustees are selected for relevant specialism(s) in finance, business, and /or education. New Trustees are provided with terms of reference and a pack of information relating to the constitution, governance and operation of the Trust. Trustees are expected to visit the Curial Office as well as to be familiar with the work of parishes. A formal induction programme is provided for new Trustees; they receive copies of relevant Charity Commission guidance and are encouraged to participate in training and other events to help them better understand their responsibilities.

Aims & objectives of the Roman Catholic Diocese of Wrexham

5. The principal aims of the charity are:

- The advancement of the Roman Catholic Church in the Diocese of Wrexham and elsewhere
- The support of pastoral and apostolic works in parishes and local communities
- The promotion of Catholic teaching and education
- The provision and maintenance of churches, presbyteries and schools
- The provision and care of priests

These aims and objectives are reflected in the accounts of the Charity under the three broad activity headings:

- Worship,
- Support of clergy and
- Apostolic works

In pursuit of these aims and objectives through its organisational structure the Charity carried out the following main activities, and set these particular objectives for attention as part of its broad strategy in the report period.

DIOCESE OF WREXHAM

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

Organisation of the Charity during the Year

6. Diocesan administration and centrally provided services of the Diocese continued for the most part to be based in the Curial offices, close to Bishop's House. To help guide the provision and implementation of central services a number of Diocesan Committees or Commissions continued their work. The aims of the Charity have been pursued and to a large extent achieved through these services and through the work of parishes, schools and various Catholic societies and other organisations in the Diocese. Management of financial, property and legal responsibilities of the Trust has remained with the Board of Trustees which has met, and continues to meet, on a regular basis. On finance and property matters the Trustees have continued to be advised mainly by a 'Financial Secretariat' that meets usually fortnightly or otherwise as necessary, as well as by other professional staff, and sub-committees, including voluntary professionals, and external professional consultants as and when required. The day to day administration of the parishes and schools remained delegated to the parish priests and school governors respectively.

7. The central funds of the Diocese continued to be managed by the Diocesan Trustees, save that the Diocesan Education Committee undertook the management of the central Schools Account in accordance with the wishes and instructions of the Trustees. Local parish funds were managed on behalf of the Trustees by the parish priests, advised by parish finance committees.

8. The Board of Trustees met on four occasions during the financial year to deal with financial, property and legal matters, pastoral matters being normally considered by other appropriate Diocesan committees, the Bishop's Consultors, the Council of Priests, and in the Bishop's regular meetings with his Vicar General. The Committees, appointed by and reporting to the Trustees, consisted of the Financial Secretariat, comprising senior clergy and lay professional people experienced to varying degrees in commerce, finance, law, investment and property matters; the Education Committee comprising senior clergy and lay professional people experienced in education; a Remuneration & Terms of Service Advisory Committee comprising clergy and lay members with relevant experience, and an Internal Audit Panel comprising clergy and lay members with appropriate knowledge and experience. Other Committees, such as the St Winefride's Well Committee - at Holywell, also normally referred to the Trustees matters arising which had implications for Diocesan resources.

9. The parishes in the Diocese were established and operate in accordance with the Church's Code of Canon Law, which bestows on them separate canonical status. Under Canon Law, the parishes of the Diocese are juridical persons. Each parish has a finance committee to help the parish priest with advice in the administration of finances and other assets of the parish. The spiritual and financial administration of each parish is the responsibility of the parish priest. Parishes of the Diocese are grouped into 4 Episcopal Vicariates to facilitate consultation and collaboration on certain common matters. Each Episcopal Vicariate is led by a priest appointed by the Bishop as Episcopal Vicar.

10. The Diocese has 3 voluntary-aided secondary schools, one of which is now a shared-faith school with the Church-in-Wales; and 14 voluntary-aided primary schools.

DIOCESE OF WREXHAM

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

Administrative and advisory bodies

11. The day to day financial management of the Diocese, in accordance with decisions of the Trustees, was undertaken by:

Rt Rev Peter M Brignall	Bishop of Wrexham
Mr Keith McDonogh	Chair of Trustees
Canon Terence Carr	Chair of Financial Secretariat
Mrs Rebecca Garratt	Executive Business Manager
Mrs Dominique Gresty	PA to the Bishop

12. For the purposes of Canon Law, the Board of Trustees was, and continues to be, the Finance Committee of the Diocese.

13. Besides the Trustees' Financial Secretariat, other Diocesan Commission(s) and Committees included:

- Diocesan Family Life Commission; which provides information to parishes and arranges relevant events related to family life.
- The Council of Priests; which normally meets with the Bishop three times a year to discuss and provide views/recommendations on a range of strategic and other issues.
- College of Consultors; currently dormant, comprises the 4 Episcopal Vicariates.
- Diocesan Pastoral Council; currently dormant but normally involves clergy and lay representatives from across the Diocese in meetings usually held twice a year to discuss particular pastoral issues.
- Diocese of Wrexham Education Committee; provides a focus for the development of education policies for the Diocese, and works closely with schools both on an individual basis and in Deaneries where there is an opportunity to discuss and explore local issues and developing trends.
- Diocesan Liturgy Commission; provides advice and arranges training on liturgical issues as necessary.
- Diocesan Commission for Ongoing Ministerial Formation; arranges events, topics and speakers for ongoing formation of Diocesan clergy.
- Diocesan Youth Commission; publicises and organises youth events and youth involvement in selected events outside of the Diocese. Provides advice on establishment of youth groups in parishes.
- Diocesan Safeguarding Commission; oversees safeguarding arrangements throughout the Diocese and compliance with national policies for Dioceses of England and Wales.
- Diocesan Commissioner for Evangelisation and Mission; provides information and advice on initiatives and relevant events.

DIOCESE OF WREXHAM

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

Public Benefit

14. In the faith tradition of the Diocese 'Catholicism' is a lived religion. In other words, faith without good works is rather meaningless. The aims and objectives of the Charity therefore seek to put into practice the Gospel values and teachings of Jesus Christ, who said "You shall love the Lord your God with your whole heart" and "You shall love your neighbour as yourself". In parish churches, retreat, and other centres, the Diocese has enabled worship of God through the celebration of Mass and other Services, as well as promoting prayer in the home, and love of neighbour. Accordingly, spiritual benefit can be had by all who choose to avail of the worship and other services offered. And many within parishes, reach out beyond their own congregations both locally, nationally, and indeed internationally, to help those in need; this is done through all sorts of initiatives from simple collections at the end of Mass to more practical assistance, such as contributions to foodbanks, assisting disabled people, supporting the bereaved, and visiting the sick at home and in hospital.

15. Catholic schools have continued to be populated by both Catholic and non-Catholic children whose parents value not just their proven educational excellence, but also the moral codes and practices which they pursue. The young adults leaving our schools will go on to become valued members of society. Our churches and the services of our clergy are open to all who wish to explore whether the Catholic Church can help them to enrich their spiritual lives.

16. The Trustees believe that they have complied with the duty in Section 4 of the 2006 Charities Act to give due regard to the guidance published by the Charity Commission in determining the activities of the Charity.

Achievements and Performance

17. The Trustees consider that the performance of the Charity in the year has been satisfactory, despite the growing pressures arising from fewer priests in the Diocese.

18. The maintenance of a satisfactory level of worship and other parish activities during the year has again continued to be greatly helped by the valued contribution of a number of priests from abroad. One candidate for the Permanent Diaconate from within the Diocese continued with studies and formation, and efforts to foster vocations have continued. Permanent Deacons have continued to help free up priests for those activities for which they were ordained.

19. The Diocese planned to continue, and where possible improve, the level of service and activities necessary for continued achievement of the Charity's main aims and objectives. In line with its strategy, and the Bishop's Pastoral Plan, it set particular objectives/actions for attention during the last year, including those on-going items carried forward. These and the achievements/outcomes in regard to them were noted below:-

(a) GDPR is now embedded across the Diocese and queries and referrals managed through the Curial office. The implementation of the IT strategy is now complete and is monitored to ensure systems remain fit for purpose.

(b) Undertake with external help the update and issue to parishes of guidance on Health and Safety.
Action taken: This is done. With the help of an external company; the Manual of guidance has been updated and, with permission, has been made available for access by parishes on the Diocesan website.

DIOCESE OF WREXHAM

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

(c) Implementation of Bishop's Pastoral Plan.

Action taken: This plan, which has been revised to address the declining number of priests serving the Diocese and the fall in attendance at Sunday Mass among the people. The plan aims to ensure that Mass is still celebrated in the greatest number of places with the fewest number of priests. To achieve this aim:

- Some parish churches which are no longer economically viable and for which it is not possible to provide a parish priest who is permanently resident, will be closed.
- The congregation of these churches will be accommodated in neighbouring churches. To facilitate this, these neighbouring churches will, if necessary, be altered or enlarged to accommodate the increased numbers of people attending.
- Some parishes will be canonically suppressed and will either be absorbed entirely into a neighbouring parish, or the territory of the suppressed parish will be divided between neighbouring parishes and absorbed into them. This will allow, where desirable, for the former parish church and any daughter church which it may have, to remain open and to be served by the priest of the parish into which it has been absorbed.
- In some parishes where the parish church has a daughter church in its territory, the latter will be closed if the congregation can be accommodated in one Mass in the parish church.

(d) On-going implementation of the third part of the Bishop's Pastoral Plan concerned with development of the sense of Mission and Evangelisation.

Action taken: Encouragement of training for the Catholic Certificate in Religious Studies (CCRS), and the Diploma and/or Certificate in Leadership and Pastoral Studies through publicity and information sessions provided by a team from Liverpool.

(e) Ensure continued actions and support of project for the upgrading/ modernising of the historic St. Winefride's Well Shrine and Museum and related facilities in Holywell.

Action taken: Meetings and contact with the County Council and the Diocesan legal advisers have taken place and efforts are continuing to resolve site issues with the Council. Interim improvements have been made in the operation of the Shrine and display of the museum artefacts.

20. The provision of services and the ability to cater for the training of students for the priesthood and the permanent diaconate continued to be recognised as dependent on sound finances amongst other things. Most of the funds raised and expended were those of parishes in support of local activities, and so parishes continued to be the bedrock of the Diocese. Parishes also supported the work of the Diocese and the Church through the transfer of funds (e.g. parish levy) and through cooperation with other Christian Churches in 'Cytun' (Churches Together) and other relevant organisations.

21. Through repairs and maintenance, and other minor works, the Board of Trustees continued to actively manage the Diocesan investment in church properties; it has sought to have them maintained in good condition suitable for worship, and fully compliant with Health and Safety required standards. This has continued to be given particular attention by the Bishop during his pastoral visitation to parishes. When required to meet particular needs, property has been acquired as necessary and when no longer needed it has been disposed of usually by sale or made available by lease or rental subject to professional advice.

22. The Board of Trustees continued its commitment to ensuring sound cash flow over the Diocese as a whole and budgeting continued to be developed with the aim, among other things, of deficit reduction. Allocation of Budget Holder responsibilities to identified Cost Centres for various centrally provided services continued. The internal audit team has continued its auditing in parishes and regular reporting to the Trustees has been established. The annual Finance Information Clergy Day (for clergy of the Diocese, including appropriate lay personnel) was held in November 2023

DIOCESE OF WREXHAM

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

23. Parish congregations continued to provide their generous support through donations, gifts and legacies and thus provided a valuable source of income for the Charity i.e. £1,495,677 excluding restricted funds and grants. During the year the Diocese received legacy income of £62,369. The Charitable Trust has continued to encourage the use of gift aided donations and over £178,000 was reclaimed by way of tax rebate on gift aided income during the year. The Charitable Trust also enjoyed continued support from the Department for Education of the Welsh Government towards the building and maintenance of Roman Catholic schools within the Diocese.

24. The Diocese' Safeguarding arrangements for the protection of children and vulnerable adults were overseen by its Safeguarding Management Commission. The Commission continued to promote best practice ensuring that up-to-date national and diocesan policies and procedures for effective child protection were understood and in place across the Diocese. It relied on the local parish representatives in each parish to implement effective arrangements for those working with children or vulnerable adults, and to deal competently and promptly with any suspicion or allegation of abuse of any kind. The Diocese' Safeguarding arrangements were subject to external audit in 2023. Out of eight standards that were audited, six were judged to be making firm progress and two were judged to be achieving results. The Diocesan safeguarding arrangements are now subject to six-monthly 'check in' meetings with CSSA and an annual self-assessment. Another full audit will take place late 2025. The executive summary of the audit can be viewed on CSSA website.

25. With regard to our schools and education, the Diocesan Education Committee continued its role in providing a focus for the development of education policies for the Diocese, and in working with schools both on an individual basis and in groups (Deaneries) where there was opportunity to discuss and explore local issues and developing trends.

26. From September 2019 a Director of Education Services has been in post. The Diocese Director continues to support the work of our Catholic schools providing quality information, training, guidance, assistance with the implementation of advice on disciplinary issues, other advice and support to head teachers and governors. Principal tasks included monitoring and developing religious education, Section 50 inspection of schools, recruitment and retention of senior staff, governance, the support of newly appointed heads, planning for school places and development and maintenance of school buildings. The Schools Director maintained liaison with other Dioceses, the Catholic Education Service and National Board of Religious Inspectors and Advisers, sharing and keeping abreast of best practice. Close working with the local authorities concerned was also maintained.

27. The average number attending weekly Mass for the calendar year ended 31 December 2022 was 3,651 compared to 2,572 in 2021, 2,008 in 2020, 4,890 in 2019 and 5,132 in 2018.

28. The following are further pastoral statistics for the Diocese which gives some indication of the health and well-being of its pastoral life:

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Baptisms to age 7	256	195	109	231
Receptions	14	39	9	37
First Communion	336	177	93	312
Marriages	40	26	6	74
Confirmations	67	80	3	152
Deaths	337	350	362	430

DIOCESE OF WREXHAM

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

Serving the people of the Diocese were 29 parishes and 18 Roman Catholic schools (3 secondary, 14 primary and 1 independent) together with a number of other Catholic societies and organisations. The schools comprised 3 voluntary- aided secondary schools, one of which is a shared-faith school with the Church-in-Wales, and 14 voluntary-aided primary schools. During the year there were 11 Diocesan priests working in the Diocese, 8 priests of religious orders and 14 priests on temporary appointment from overseas, with 10 permanent deacons, as well as retired clergy.

29. The Diocesan' Cathedral, and 11 of the other churches and chapels of the Diocese were listed buildings (either as Grade II or Grade II*) under the Historic Buildings legislation in Wales.

Financial Review

30. Details of the income and expenditure of the charity for 2022-23 are shown in the statement of financial activities and in the notes to the accounts. The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements do not include any value for school properties as the Trustees consider these to be inalienable.

31. The Diocese has set out its charitable expenditure using the Church's teaching on the purposes for its asset holdings. These are - pursuit of divine worship, support of clergy and other ministers, performance of the Church's apostolic works, and works of charity especially for the needy.

32. 'Apostolic' works of the Diocese includes education as well as pastoral care, with education being a substantial element. Support of the needy is catered for through many parish activities as well as third party collections; these collections are not classified as Diocesan income but as conduit funds even though the money raised is through the parishes.

33. The Reserves of the charity at 5 April 2023 totalled £15.9m (£16.6m in 2021-22) of which £13.8m including designated funds of £2.7m were unrestricted and available for general use.

34. Total income amounted to £2,243,710 (£2,044,880 in 2021-22) and total expenditure was £2,587,685 (£2,405,586 in 2021-22). The net result after realised and unrealised gains/losses was a deficit of £703,703 for the year compared to a surplus of £25,499 in 2021-22.

35. The accounts include the assets, liabilities and transactions of Curial and Parish funds:

- Curial funds: - are used to support the Bishop in providing Diocesan central services and pastoral care and to meet the cost of central administration. The Curial funds are administered by staff within the Curial offices at Bishop's House.
- Parochial funds: - are administered, with guidance from the Curial office, and advice of parish finance committees, by the parish priests, and are used to carry out the work of the Church within local areas. The vast majority of income received by parishes is through the Sunday offertory and other donations. This source of income is approximately 68% of the parish total.

Properties

36. Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts. The Trustees are of the opinion that the open market value of freehold land and buildings is in excess of the net book value at which they are disclosed on the balance sheet. Besides the many churches, presbyteries and halls in use for pastoral activities, the Diocese is also the legal owner of 17 school properties comprising voluntary aided schools within the Diocese. The schools are funded through a combination of government/LEA grants, Diocesan levies, and voluntary contributions. The nature and basis of occupation of the school properties means that the Trustees do not have the power to dispose of the land and buildings until a school ceases occupation, which in turn requires the approval of the school governors and the Minister of Education & Lifelong Learning. Consequently, the land and buildings are deemed inalienable and are not capitalised in the attached accounts.

DIOCESE OF WREXHAM

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

37. The non-property assets, liabilities and transactions of the schools are not included in these accounts as they are neither owned nor controlled by the Charity.

38. For any properties held for investment purposes these will be included at market value. The cost of functional Church property (Churches, presbyteries, halls etc) is recognised at deemed cost. The Trustees continue to review their property portfolio and to realise such property subject to requirements, when market conditions and valuations are appropriate. The Trustees recognise the changing factors affecting the Diocese and have continued to formulate and review programmes to address the future financial issues that the Diocese is likely to face. These areas include making adequate provision for the ongoing capital maintenance of the substantial properties of the Diocese and of the schools.

Volunteers

39. Special mention must again be made of the considerable number of volunteers who helped in all aspects of the work of the Diocese. Without their help, parishes in particular could not function effectively. The Diocesan Trustees, parish clergy, and employees, are most grateful to all the volunteers for giving so much time and effort whether that help is in serving on the altar, cleaning of buildings, assisting with the parish finances, or in the many other duties arising in parish life. Parishes do not only look to their own needs, but many give help to the sick, elderly, homeless and disadvantaged in their local communities through their parish organisations and volunteers.

Plans for the Future

40. The Trustees plan to maintain and where possible improve the level of services and activities necessary for the continued achievement in the future of the Charity's aims and objectives set out in 5 above. Particular actions that are planned include:

40.1. Continue to implement as and when appropriate particular elements of the Diocesan Pastoral Plan 'Into the Future' (1 & 2).

40.2. Continue to monitor the work on upgrade of the Diocesan information and IT and financial management systems across the Diocese so as to achieve better GDPR safeguards and effectiveness in communications and reporting.

40.3. Continue work to foster the sense of mission and evangelisation throughout the Diocese including encouragement of lay involvement in work of parishes.

40.4. Arrange for the update and submission of reports to the Arts Council necessary for maintenance of Accreditation of the St. Winefride's Well Shrine Museum and continue actions necessary to prepare for and bring about upgrading/modernisation of the historic St. Winefride's Well Shrine in Holywell.

40.5 Complete a review of the ethical factors in the Diocese investment policy. Monitor the performance outworking of changes in the strategy agreed with respective external investment managers.

40.6 Undertake a comprehensive review of the costs and funding of St. Winefride's Well Shrine with a view to securing improvements in running costs/overheads.

40.7 Monitor and review the recently introduced structure of four Episcopal Vicariates replacing the previous six Deaneries.

Connected Persons and Charities

41. Diocesan parish priests and other clergy may belong to a Religious Order/Congregation outside of the jurisdiction of the Diocesan Trust. These Orders or Congregations exist as separate charities in their own right. Their funds and assets including the parish church and other property if owned by the Order/Congregation are strictly excluded from the Diocesan financial statements.

DIOCESE OF WREXHAM

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

Reserves Policy

42. The Diocese held free reserves at the end of the year that amounted to approximately 2 years' expenditure. These exclude tangible fixed assets held for charitable use as these assets could not be realised without undermining the work of the Diocese. In determining the desired level of free reserves, the Trustees have been especially mindful of the substantial and long term requirements of the Diocese, including clergy training, retirement and care, schools provision and property maintenance. It is therefore the Trustees' intention to establish and keep under review a level of unrestricted reserves, excluding functional Diocesan property, to meet these commitments. The free reserves whilst helping to secure the long term financial security of the Diocese at the same time are designed to generate investment income that can help meet the running costs of the Curial office.

Risk Management

43. The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the Charity, its investments and its finances. The Trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the Charity, they have established effective systems to mitigate exposure to those major risks.

Investment Powers and Restrictions

44. The Trust Deed authorises the Trustees to make and hold investments using the general funds of the Charity. Details of such investments are given in the notes to the accounts. The overall objective for the portfolio is to achieve the best possible returns while at all times having regard to the security of the funds, and the adherence to acceptable ethical criteria given the nature of the Charity, within the law governing those investments and the directives of the Charity Commission for England and Wales.

Investment Policy and Performance

45. The investment policy has been decided by the Trustees, and agreed with the fund managers. Its implementation has and continues to be monitored by the Financial Secretariat, using independent benchmark criteria agreed with both its investment managers Quilter Cheviot and Cazenove. Both portfolios have been adjusted following discussion between Trustees and the respective Investment Managers to include funds which better reflect the ethical investment policies of the Diocese and of CaTEW. Some structural changes have also been agreed and performance will be subject to quarterly review in the coming financial year.

46. Regular reviews have continued to be made of the properties held by the Diocese to determine their place in the life of the Diocese and in helping to secure its future financial independence and viability. Surplus land / property continued to be identified where and when appropriate as suitable for sale. Inevitably the economic situation and its effects on the financial & property markets have had effect on the valuation of the Diocesan investment portfolios but both our fund managers have adopted a cautious stance in the management of the funds placed with them.

47. Our website www.rcdwxm.org.uk gives much helpful and valuable information about the life and activities of the Diocese. Another source of information is our monthly publication, 'Clarion', which is available on the Diocesan website.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

DIOCESE OF WREXHAM

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.

Mr K McDonogh

Dated: 2 February 2024

DIOCESE OF WREXHAM

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DIOCESE OF WREXHAM

Opinion

We have audited the financial statements of Diocese of Wrexham and its subsidiary (the 'group') for the year ended 5 April 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the parent charity balance sheet, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their presentation 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 group's and of the parent charity's affairs as at 5 April 2023 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the 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 we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

DIOCESE OF WREXHAM

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DIOCESE OF WREXHAM

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent 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 group or the parent charity, 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 the Act and relevant regulations made or having effect thereunder.

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

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

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

The responsibility for the prevention and detection of irregularities, including fraud, lies with the trustees and with those charged with governance of the charity. The objectives of our audit in respect of irregularities and fraud are to assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient, appropriate audit evidence regarding the assessed risks and to respond appropriately to fraud or suspected fraud identified during the audit.

Audit procedures

We determine significant applicable laws and regulations through discussion with those charged with governance of the charity and our own knowledge of the charity sector and design audit procedures to help identify instances of non-compliance with those laws and regulations that may have a material effect on the financial statements.

We consider the applicable laws and regulations to be the financial reporting framework (FRS 102), Charity Law, the relevant tax regulations in the UK, employment law, the Health and Safety at Work Act 1974 and Safeguarding legislation.

DIOCESE OF WREXHAM

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DIOCESE OF WREXHAM

We consider the control environment and the procedures in place to address identified risks, including management override, non-compliance with laws and regulations and to prevent and detect fraud or irregularity. Our procedures are designed to provide reasonable assurance that the financial statements are free from material misstatement or error and include: enquiries of management and of staff in key compliance functions; review of minutes of meetings of those charged with governance; review and testing of manual journals and significant transactions outside the normal course of business; review of financial statement disclosures and testing to supporting documentation; performance of analytical procedures.

We are not responsible for preventing non-compliance and due to the inherent limitations of an audit, as described above, the audit cannot be relied upon to detect all instances of non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Susan Harris MA ACA (Senior Statutory Auditor)
Champion Accountants LLP

2 February 2024

Chartered Accountants
Statutory Auditor

2nd Floor
Refuge House
33-37 Watergate Street
Chester
CH1 2LE

Champion Accountants LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

DIOCESE OF WREXHAM

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
<u>Income and endowments from:</u>						
Donations and legacies	4	1,510,677	6,352	-	1,517,029	1,428,040
Other trading activities	2	259,077	126,811	-	385,888	329,226
Investments	3	224,848	27,885	662	253,395	225,565
Other income	5	87,398	-	-	87,398	62,049
Total income and endowments		2,082,000	161,048	662	2,243,710	2,044,880
<u>Expenditure on:</u>						
Raising funds	6	81,305	3,868	103	85,276	76,238
Charitable activities	7	2,338,121	162,663	1,625	2,502,409	2,329,348
Total resources expended		2,419,426	166,531	1,728	2,587,685	2,405,586
Net gains/(losses) on investments	12	(271,999)	(85,459)	(2,270)	(359,728)	386,205
Net movement in funds		(609,425)	(90,942)	(3,336)	(703,703)	25,499
Fund balances at 6 April 2022		14,412,151	1,761,341	434,604	16,608,096	16,582,597
Fund balances at 5 April 2023		13,802,726	1,670,399	431,268	15,904,393	16,608,096

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

DIOCESE OF WREXHAM

CONSOLIDATED BALANCE SHEET

AS AT 5 APRIL 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13	7,344,520		7,473,644	
Investments	14	6,365,384		6,741,260	
			13,709,904		14,214,904
Current assets					
Stocks	15	16,897		20,764	
Debtors	16	44,772		51,727	
Cash at bank and in hand		3,222,868		3,874,378	
		3,284,537		3,946,869	
Creditors: amounts falling due within one year	17	(1,090,048)		(1,553,677)	
Net current assets			2,194,489		2,393,192
Total assets less current liabilities			15,904,393		16,608,096
Capital funds					
Endowment funds - general	18	431,268		434,604	
Income funds					
Restricted funds	18	1,670,399		1,761,341	
Unrestricted funds	18	13,802,726		14,412,151	
		15,904,393		16,608,096	

The financial statements were approved by the Trustees on 2 February 2024

Mr K McDonogh
Trustee

DIOCESE OF WREXHAM

PARENT CHARITY BALANCE SHEET

AS AT 5 APRIL 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13	7,344,192		7,473,236	
Investments	14	6,365,385		6,741,261	
			13,709,577		14,214,497
Current assets					
Stocks	15	1,530		1,808	
Debtors	16	76,838		96,359	
Cash at bank and in hand		3,211,346		3,846,821	
			3,289,714		3,944,988
Creditors: amounts falling due within one year	17	(1,079,650)		(1,507,164)	
Net current assets			2,210,064		2,437,824
Total assets less current liabilities			15,919,641		16,652,321
Capital funds					
Endowment funds - general	18	431,268		434,604	
Income funds					
General restricted funds	18	1,670,399		1,761,341	
			1,670,399		1,761,341
General unrestricted funds	18	13,817,974		14,456,376	
			13,817,974		14,456,376
			15,919,641		16,652,321

The financial statements were approved by the Trustees on 2 February 2024

Mr K McDonogh
Trustee

DIOCESE OF WREXHAM

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	22		(691,492)		(355,934)
Investing activities					
Purchase of tangible fixed assets		(917)		(1,282)	
Proceeds on disposal of tangible fixed assets		160,000		-	
Purchase of investments		(1,470,958)		(2,437,800)	
Proceeds on disposal of investments		2,539,265		2,462,121	
Other investment movements		(1,051,162)		-	
Investment income received		253,395		225,565	
Net cash generated from investing activities			429,623		248,604
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(261,869)		(107,330)
Cash and cash equivalents at beginning of year	23		2,608,104		2,715,434
Cash and cash equivalents at end of year	23		2,346,235		2,608,104

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

Charity information

Diocese Of Wrexham is a registered charity with the Charities Commission under charity number 700426. The charity's principal office is The Coach House, 25 Rhosddu Road, Wrexham, LL11 1EB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income and expenditure

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

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The statement of financial activities ("The SOFA") and balance sheet consolidate the financial statements of the parent charity and its subsidiary company, St. Winefride's Well Shrine Company Limited, for the financial year ended 5 April 2022. The results of the company are consolidated on a line by line basis.

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

The Trustees have chosen to adopt the option available under section 35.10 of the Charities Statement of Recommended Practice for Financial Reporting Standard 102 and value the functional properties acquired prior to 1997 at "deemed cost". This is the discounted 1997 insurance value of those properties. Properties acquired since 1997 are included in the financial statements at original cost.

As part of a review of all property held by the Diocese, those properties that had not been readily identifiable with an insurance value at 1997 have been included at a percentage of the 2005 insurance value in accordance with existing practice.

Functional properties are not depreciated. The Trustees consider that their estimated residual values will exceed cost, given the long period over which they are expected to be held.

Historic assets

Works of art, treasures and plate are not capitalised in these accounts as they are considered historic, have very long lives and are worth preserving indefinitely. The trustees consider that it would be prejudicial to the safe custody of these assets to disclose details of their value and usage in these accounts.

School property

Land and buildings legally owned by the charity and occupied rent free by the Catholic voluntary aided schools, which are separate charities and publicly funded, are valued at nil for the purposes of these accounts. The trustees consider that no meaningful value can be attributed to these assets since they are not used directly by the charity, do not generate any income, and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

Grants obtained on behalf of School Governors are netted off against total costs and only the residual cost is included in the financial statements as parish expenses.

Fixed assets other than property

The cost of Diocesan furniture and equipment is capitalised and depreciated over their expected useful lives at a rate of 25% of cost. Motor vehicles are also depreciated at a rate of 25% of cost.

1.6 Investments

Listed investments are included in the balance sheet at their market value at the end of the financial period. The statement of financial activities includes unrealised gains and losses arising from the revaluation of the investment portfolio.

Realised gains and losses arising from the sale of investments and investment properties are dealt with in the statement of financial activities.

Any investment properties are recognised at market value as at the end of the financial year. Properties may occasionally cease to be held as functional church property and may instead then be held and used as an investment asset and rented out to third parties. Where this change is expected to be temporary and the intention is for the property to revert to use as functional property in the short term, these properties will continue to be held as functional property. Where the change is expected to last into the longer term, the properties are accounted for as investment properties and recognised at market value at the end of the financial year. All changes in the value during the year are classified as unrealised gains or losses and are reported in the statement of financial activities. As any such assets are recorded at their current market values, no charge for depreciation is made in the accounts. Disposals of investment properties are accounted for on completion.

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

(Continued)

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. Recovery is made of tax deducted from income and from receipts under Gift Aid. The parent charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT. The subsidiary is registered for VAT and income and expenditure is recorded in the accounts exclusive of VAT.

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

(Continued)

1.11 Pensions

The charity operates a defined contribution pension scheme for 1 employee. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

1.12 Collections for third parties

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

1.13 Accumulated funds

The funds can be used across the whole of the Diocese and are subdivided between:

The general funds, comprising those monies which may be used towards meeting the charitable objectives of the charity, and used across the whole of the Diocese, can be expended at the discretion of the trustees.

The designated funds, being monies set aside out of general funds and designated for specific purposes by the trustees.

The restricted funds, being monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The capital of permanent endowment funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the Diocese, according to the terms of the original gift.

2 Other trading activities

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £
Worship	13,786	-	13,786	47,848	47,848
Fundraising events	46,879	126,811	173,690	23,660	126,543
Hall hire	28,199	-	28,199	14,176	14,176
Sale of votive items	170,213	-	170,213	140,659	140,659
Other trading activities	259,077	126,811	385,888	226,343	329,226

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

3 Investments

	Unrestricted funds	Restricted funds	Endowment funds general	Total	Unrestricted funds	Restricted funds	Endowment funds general	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
Rental income	66,007	2,878	-	68,885	54,112	11,282	-	65,394
Income from listed investments	154,091	24,916	662	179,669	132,548	25,565	679	158,792
Interest receivable	4,750	91	-	4,841	1,377	2	-	1,379
	<u>224,848</u>	<u>27,885</u>	<u>662</u>	<u>253,395</u>	<u>188,037</u>	<u>36,849</u>	<u>679</u>	<u>225,565</u>

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

4 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	1,433,308	6,352	1,439,660	1,306,278	6,514	1,312,792
Legacies receivable	62,369	-	62,369	82,791	-	82,791
Government grants	15,000	-	15,000	17,457	-	17,457
Other grants	-	-	-	15,000	-	15,000
	<u>1,510,677</u>	<u>6,352</u>	<u>1,517,029</u>	<u>1,421,526</u>	<u>6,514</u>	<u>1,428,040</u>

5 Other income

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Net gain / (loss) on disposal of tangible fixed assets	45,000	-
Other income	42,398	62,049
	<u>87,398</u>	<u>62,049</u>

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

6 Raising funds

	Unrestricted funds	Restricted funds	Endowment funds general	Total	Unrestricted funds	Restricted funds	Endowment funds general	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
<u>Fundraising and publicity</u>								
Cost of sale of votive items	51,155	-	-	51,155	35,920	-	-	35,920
Fundraising costs	11,627	-	-	11,627	14,717	-	-	14,717
	<u>62,782</u>	<u>-</u>	<u>-</u>	<u>62,782</u>	<u>50,637</u>	<u>-</u>	<u>-</u>	<u>50,637</u>
<u>Investment management</u>	18,523	3,868	103	22,494	21,514	3,981	106	25,601
	<u>81,305</u>	<u>3,868</u>	<u>103</u>	<u>85,276</u>	<u>72,151</u>	<u>3,981</u>	<u>106</u>	<u>76,238</u>

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

7 Charitable activities

	Worship	Apostolic Works	Support of Clergy	Other	Total 2023	Total 2022
	2023	2023	2023	2023		
	£	£	£	£	£	£
Rent	-	-	62,095	-	62,095	66,942
Repairs and maintenance	256,752	2,932	206,685	-	466,369	441,602
Clergy allowances	192,081	-	5,125	-	197,206	187,218
Liturgical and pastoral costs	62,730	-	2,741	-	65,471	56,632
Clergy costs	7,089	-	35,100	-	42,189	63,826
Presbytery costs	72,808	-	411,042	-	483,850	386,874
Healthcare and retirement cost	-	-	131	-	131	15
Retirement property costs	-	-	43,285	-	43,285	26,829
Donations and gifts	-	21,643	119,378	-	141,021	96,551
Motor and travel	-	2,141	73,241	-	75,382	64,128
Other apostolic expenditure	-	-	-	-	-	39,825
Insurance	67,448	-	-	-	67,448	68,329
	658,908	26,716	958,823	-	1,644,447	1,498,771
Share of support costs (see note 8)	145,443	8,272	695,747	-	849,462	822,077
Share of governance costs (see note 8)	-	-	-	8,500	8,500	8,500
	804,351	34,988	1,654,570	8,500	2,502,409	2,329,348
Analysis by fund						
Unrestricted funds	804,351	34,988	1,490,282	8,500	2,338,121	2,210,758
Restricted funds	-	-	162,663	-	162,663	117,268
Endowment funds - general	-	-	1,625	-	1,625	1,322
	804,351	34,988	1,654,570	8,500	2,502,409	2,329,348
For the year ended 5 April 2022						
Unrestricted funds	877,068	69,690	1,255,500	8,500		2,210,758
Restricted funds	-	-	117,268	-		117,268
Endowment funds - general	-	-	1,322	-		1,322
	877,068	69,690	1,374,090	8,500		2,329,348

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

8 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Staff costs	350,851	-	350,851	310,725	-	310,725
Depreciation	14,959	-	14,959	14,856	-	14,856
Premises and other costs	483,652	-	483,652	496,496	-	496,496
Audit fees	-	8,500	8,500	-	8,500	8,500
	<u>849,462</u>	<u>8,500</u>	<u>857,962</u>	<u>822,077</u>	<u>8,500</u>	<u>830,577</u>
Analysed between Charitable activities	<u>849,462</u>	<u>8,500</u>	<u>857,962</u>	<u>822,077</u>	<u>8,500</u>	<u>830,577</u>

Governance costs includes payments to the auditors of £8,500 (2022: £8,500) for audit fees.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Curial employees	10	10
Parish employees excluding parish clergy	8	11
Total	<u>18</u>	<u>21</u>
Employment costs	2023 £	2022 £
Wages and salaries	376,444	330,063
Social security costs	18,315	19,292
Other pension costs	8,735	2,730
	<u>403,494</u>	<u>352,085</u>

During the year there were 39 secular and regular clergy in the Diocese, excluding retired clergy (2022: 35) of which 11 secular clergy were actively working in the Diocese (2022: 12).

There were no employees whose annual remuneration was £60,000 or more.

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 5 APRIL 2023*

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

12 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Endowment funds general	Total	Unrestricted funds	Restricted funds	Endowment funds general	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
Gain/(loss) on investments	(271,999)	(85,459)	(2,270)	(359,728)	334,568	50,262	1,375	386,205

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

13 Tangible fixed assets - consolidated

	Functional property £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 6 April 2022	7,443,756	89,201	30,095	7,563,052
Additions	-	917	-	917
Disposals	(115,000)	-	-	(115,000)
At 5 April 2023	7,328,756	90,118	30,095	7,448,969
Depreciation and impairment				
At 6 April 2022	-	59,313	30,095	89,408
Depreciation charged in the year	-	15,042	-	15,042
At 5 April 2023	-	74,354	30,095	104,449
Carrying amount				
At 5 April 2023	7,328,756	15,764	-	7,344,520
At 5 April 2022	7,443,756	29,888	-	7,473,644

St. Winefride's Well Shrine Company Limited had tangible fixed assets with a net book value £327 at 5 April 2023 (2022: £408).

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

14 Fixed asset investments - Consolidated

	Listed investments £	Cash in portfolio £	Other investments £	Total £
Cost or valuation				
At 6 April 2022	6,505,056	236,203	1	6,741,260
Additions	1,470,958	-	-	1,470,958
Valuation changes	(893,273)	-	-	(893,273)
Disposals	(2,004,782)	-	-	(2,004,782)
Other movements		1,051,222		1,051,222
At 5 April 2023	5,077,959	1,287,425	1	6,365,385
Carrying amount				
At 05 April 2023	5,077,959	1,287,425	1	6,365,385
At 05 April 2022	6,505,056	236,203	1	6,741,260

The following investments represent more than 5% by value of the portfolio:

Cazenove Schroder Global Sustainable Growth £697,637

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries	21	1	1

St. Winefride's Well Shrine Company Limited held no fixed asset investments at 5 April 2023 or 5 April 2022.

15 Stocks - consolidated

	2023 £	2022 £
Stocks	16,897	20,764

St. Winefride's Well Shrine Company Limited had stock held at 5 April 2023 of £15,367 (2022: £18,956).

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

16 Debtors - consolidated

	2023	2022
	£	£
Amounts falling due within one year:		
Other debtors	13,884	19,324
Prepayments and accrued income	30,888	32,403
	<u>44,772</u>	<u>51,727</u>

St. Winefride's Well Shrine Company Limited had no debtors at 5 April 2023 or 5 April 2022. The parent charity was owed £30,000 by the subsidiary company at 5 April 2023 (2022: £19,322).

17 Creditors: amounts falling due within one year - consolidated

	Notes	2023	2022
		£	£
Bank loans and overdrafts		876,633	1,266,274
Other taxation and social security		1,799	2,581
Trade creditors		29,221	71,244
Other creditors		182,395	213,578
		<u>1,090,048</u>	<u>1,553,677</u>

St. Winefride's Well Shrine Company Limited had total creditors at 5 April 2023 of £42,467 (2022: £46,513) of which £30,000 was owed to its parent charity (2022: £19,322).

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

18 Analysis of net assets between funds - Consolidated

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Fund balances at 5 April 2023 are represented by:								
Tangible assets	6,911,798	36,520	396,202	7,344,520	7,040,922	36,520	396,202	7,473,644
Investments	5,197,176	1,137,946	30,262	6,365,384	5,481,352	1,227,273	32,635	6,741,260
Current assets/(liabilities)	1,693,752	495,933	4,804	2,194,489	1,889,877	497,548	5,767	2,393,192
	<u>13,802,726</u>	<u>1,670,399</u>	<u>431,268</u>	<u>15,904,393</u>	<u>14,412,151</u>	<u>1,761,341</u>	<u>434,604</u>	<u>16,608,096</u>

18 Analysis of net assets between funds - Parent charity

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Fund balances at 5 April 2023 are represented by:								
Tangible assets	6,911,470	36,520	396,202	7,344,192	7,040,514	36,520	396,202	7,473,236
Investments	5,197,177	1,137,946	30,262	6,365,385	5,481,353	1,227,273	32,635	6,741,261
Current assets/(liabilities)	1,709,327	495,933	4,804	2,210,064	1,934,509	497,548	5,767	2,437,824
	<u>13,817,974</u>	<u>1,670,399</u>	<u>431,268</u>	<u>15,919,641</u>	<u>14,456,376</u>	<u>1,761,341</u>	<u>434,604</u>	<u>16,652,321</u>

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

18 Movement in funds - consolidated

Unrestricted funds	At 6.4.22	Net movement in funds	At 5.4.23
	£	£	£
Other charitable funds	11,554,466	(463,752)	11,090,714
Designated funds:			
Sick & Infirm Clergy Fund	86,298	(2,837)	83,461
Mensal Fund	46,473	(7,336)	39,137
Ecclesiastical Education Fund	567,785	(18,937)	548,848
Poor Parishes/Mission Fund for the Diocese	69,769	(71,794)	(2,025)
Schools Revenue Fund	890,463	8,832	899,295
Schools Capital Fund	1,096,017	(53,601)	1,042,416
Curial Office for Parishes	880		880
St Winefride's Well	100,000		100,000
	14,412,151	(609,425)	13,802,726
Restricted funds			
Curial Diocesan Donations	29,333		29,333
Curial Mass offerings	2,292		2,292
Diocesan Retirement Fund	1,449,611	(90,942)	1,358,669
Parish Mass Offerings and Special Collections	71,403		71,403
Restricted Legacies	109,271		109,271
Llanidloes Church	15,699		15,699
Machynlleth Church	20,821		20,821
Bishop's Fund	5,090		5,090
Other Restricted Funds	57,821		57,821
	1,761,341	(90,942)	1,670,399
Endowment funds			
Foundation Masses Fund	38,402	(3,336)	35,066
1862 Church Chapel Trust	95,320		95,320
Flint Church & Presbytery	88,220		88,220
Mold Church & Presbytery	58,362		58,362
Welshpool Church & Presbytery	28,549		28,549
Wrexham St Mary's	125,751		125,751
	434,604	(3,336)	431,268
TOTAL FUNDS	16,608,096	(703,703)	15,904,393

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

18 Comparatives for movements in funds - consolidated

Unrestricted funds	At 6.4.21 £	Net movement in funds £	At 5.4.22 £
Other charitable funds	11,646,036	(91,570)	11,554,466
Designated funds:			
Sick & Infirm Clergy Fund	104,034	(17,736)	86,298
Mensal Fund	42,077	4,396	46,473
Ecclesiastical Education Fund	554,842	12,943	567,785
Poor Parishes/Mission Fund for the Diocese	126,130	(56,361)	69,769
Schools Revenue Fund	813,005	77,458	890,463
Schools Capital Fund	1,075,533	20,484	1,096,017
Curial Office for Parishes	880		880
St Winefride's Well	100,000		100,000
	14,462,537	(50,386)	14,412,151
Restricted funds			
Curial Diocesan Donations	18,395	10,938	29,333
Curial Mass offerings	2,292		2,292
Diocesan Retirement Fund	1,385,290	64,321	1,449,611
Parish Mass Offerings and Special Collections	71,403		71,403
Restricted Legacies	109,271		109,271
Llanidloes Church	15,699		15,699
Machynlleth Church	20,821		20,821
Bishop's Fund	5,090		5,090
Other Restricted Funds	57,821		57,821
	1,686,082	75,259	1,761,341
Endowment funds			
Foundation Masses Fund	37,776	626	38,402
1862 Church Chapel Trust	95,320		95,320
Flint Church & Presbytery	88,220		88,220
Mold Church & Presbytery	58,362		58,362
Welshpool Church & Presbytery	28,549		28,549
Wrexham St Mary's	125,751		125,751
	433,978	626	434,604
TOTAL FUNDS	16,582,597	25,499	16,608,096

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

18 Movement of funds

Accumulated funds

The funds can be used across the whole of the Diocese and are subdivided between:

The general funds, comprising those monies which may be used towards meeting the charitable objective of the charity, and used across the whole of the Diocese, can be expended at the discretion of the trustees.

The designated funds being monies set aside out of general funds and designated for specific purposes by the trustees.

The restricted funds being monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The capital of permanent endowment funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the diocese, according to the terms of the original gift.

Endowment Funds

The Foundation Masses fund represents the sum of donations received for such masses. The funds are invested in fixed interest Government stocks, the income from which is available for general parish use when the Mass has been said and the restriction therefore discharged.

The 1862 church Chapel Trust represents the proportion of funds in respect of the purchase of a presbytery in Bangor which were transferred from the sale proceeds of the former Church and premises in Bangor which were the object of the original permanent endowment. The transaction was approved by the Charity Commission.

The majority of the property in Flint is held under a trust deed dated 1862 to provide the church, house, schoolroom and other offices at Flint or elsewhere in the Diocese.

The site of the church and presbytery in Mold is held under a trust deed dated 31 December 1861 to provide the church, house, schoolroom and other offices at Mold or elsewhere in the Diocese.

The majority of the land (the cathedral and presbytery site) was acquired by gifts in 1855 and 1856 and is held under a trust deed dated 1 January 1962 to provide church, house, schoolroom and other offices at Wrexham or elsewhere in the Diocese.

Restricted funds

The specific purposes for which the funds are held are to be applied as follows:

Diocesan collections are held within the parishes on specific predetermined dates. The funds generated from these collections are paid over to the specific charities or causes, all of which support the objectives of the charity.

Mass offerings represent donations made to the charity for the purpose of Mass being said for the intention.

On the Mass being said, the donations are released to general funds.

Special collections are held throughout the diocese for the charity's own specific projects. The balance of this fund represents the amount of the collections yet to be utilised.

The Diocesan retirement fund was established to provide support for the retired clergy.

The Restricted legacy was money bequeathed by a parishioner for the repairs to St Mary's Cathedral.

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

18 Movement of funds

(Continued)

Llanidloes Church was acquired in 1995 from Order of Friars Minor upon trust to administer and manage it as a church but upon failing or ceasing then to re-transfer property to the Order.

The Church and Property in Machynlleth was acquired in 1979 from the Congregation of the Most Holy Redeemer upon trust to administer and manage it as a church but upon failing or ceasing then to re-transfer the property to the Congregation.

Designated funds

Sick and infirm clergy fund provided funds towards nursing care and other related costs.

Mensal fund provides income to support the upkeep of Bishop's House.

Ecclesiastical education fund provides income to support clergy training.

The Poor Parishes/Missions fund for the diocese of Wrexham supports the poorer parishes of the Diocese.

The Schools capital fund was established to provide unrestricted income to be applied towards grant aided works by the Roman Catholic schools within the diocese. The Schools revenue fund is income accumulated to enable the Diocese to assist diocesan schools undertake grant aided works. The Diocese acts as agent in obtaining grants from the Welsh Assembly Government for those works.

Curial office for parishes represented monies set aside by the Curial office for general parish charitable purposes.

19 Capital commitments

The Diocese of Wrexham did not commit to any renovation expenditure during the year (2022: £nil).

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Total employee benefits	159,623	149,413

The key management personnel of the charity comprise the key finance personnel and also Heads of Education and Safeguarding.

Transactions on behalf of 3rd parties

During the year the following funds were received and paid on behalf of 3rd parties

	2023 £	2022 £
Income	120,413	120,413
Expenditure	(133,500)	-
Balance c/fwd	107,326	120,413

21 Subsidiaries

Details of the charity's subsidiaries at 5 April 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
St. Winefride's Well Shrine Company Limited	Bishop's House, Sontley Road, Wrexham, United Kingdom, LL13 7EW	Sale of retail goods	Ordinary	100.00

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
St. Winefride's Well Shrine Company Limited	(15,658)	(15,250)

Company number: 11119502

DIOCESE OF WREXHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

22	Cash generated from operations	2023	2022
		£	£
	(Deficit)/surplus for the year	(703,703)	25,499
	Adjustments for:		
	Investment income recognised in statement of financial activities	(253,395)	(225,565)
	Gain on disposal of tangible fixed assets	(45,000)	-
	Gain on disposal of investments	(534,543)	-
	Fair value gains and losses on investments	893,274	(386,205)
	Depreciation and impairment of tangible fixed assets	15,041	14,856
	Movements in working capital:		
	Decrease in stocks	3,867	1,662
	Decrease in debtors	6,955	59,475
	(Decrease)/increase in creditors	(73,988)	154,344
	Cash absorbed by operations	(691,492)	(355,934)

23	Analysis of changes in net funds	At 6 April 2022	Cash flows	At 5 April 2023
		£	£	£
	Cash at bank and in hand	3,874,378	(651,510)	3,222,868
	Loans falling due within one year	(1,266,274)	389,641	(876,633)
		2,608,104	(261,869)	2,346,235