CLIFTON DIOCESE

A Company Limited by Guarantee: Registered No. 10462076

ANNUAL REPORT
and
FINANCIAL STATEMENTS

for the year ended

31st DECEMBER 2021

CLIFTON DIOCESE

Charity Number:	1170168
Company Number:	10462076
Registered Address:	St. Ambrose North Road Leigh Woods Bristol BS8 3PW

PROFESSIONAL ADVISERS

Auditors:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers:	National Westminster Bank Plc Commercial Office PO Box No 2702 3 Temple Back East Temple Quay Bristol BS1 9BW
Investment Manager:	Tilney Smith & Williamson Investment Management Portwall Place Portwall Lane Bristol BS1 6NA
Solicitors:	Stone King LLP 13 Queen Square Bath BA1 2HJ

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BISHOP'S VISION

The Church of Clifton
is called to be a people
who believe in Christ,
who celebrate Christ
and who live in the way of Christ.

The Church is created by God
to live, not for itself,
but for others;
to be a people who share
in the mission of Christ
to proclaim the Kingdom
and to make disciples,
so that the world will be transformed
according to God's plan.

MISSION

Our Parishes and Communities
should be places
where Christ is celebrated,
shared, proclaimed and lived,
where everyone
is welcomed and valued
and all have a sense of responsibility
for the life of the community and the world.

COMMUNION

We are called to be disciples
who not only know about Jesus
but also come to know him in prayer.
Our liturgies
should be celebrated in such a way
that Christ's word is heard,
his presence known,
and which are so connected to our lives
that we joyfully
take up the command
'Go in peace glorifying the Lord by your life'.

PRAYER

HISTORY OF THE DIOCESE OF CLIFTON

Until 31 December 2017 the Roman Catholic Diocese of Clifton was constituted as a Charity for Roman Catholic Purposes by the Declaration of Trust dated 6th May 1934, amended by a scheme dated 19th August 1996 and further amended by a scheme dated 19th January 2007. All reporting was made under registered Charity No. 233977.

On 1 January 2018 the assets and operations of the Diocese transferred to this Charitable Company Limited by Guarantee, called Clifton Diocese. The Company number is 10462076 and the Charity number is 1170168. The Directors of the Charitable Company are the Trustees and this company carries on the activities of the Diocese.

The Diocese comprises the counties of Somerset, Gloucestershire, Wiltshire and the City and County of Bristol. Clifton is largely a rural diocese encompassing many towns and villages with several medium conurbations and one major city. The Diocese serves its people through 107 parishes, 45 maintained schools, 17 academies, 2 special schools and 5 independent schools and the Diocesan administrative office (Curia).

The principal objects of the charity are the advancement of the Roman Catholic religion, the relief of poverty, the maintenance of the Roman Catholic Churches and the provision of Roman Catholic education within the Diocese of Clifton.

ORGANISATIONAL STRUCTURE

The primary routes of delivery of the Charitable Company's objectives are the parishes and schools within the Diocese.

As part of the wider Catholic community the Diocese works collaboratively with other Dioceses in England and Wales and the Bishop is active internationally through his work with the Catholic Trust for England and Wales.

The Diocesan administrative office supports the delivery of the objectives by co-ordination of Diocesan-wide programmes and ensures a cohesive approach to the administration of the Diocese in order to effectively support the parishes, which is particularly important due to increasing statutory requirements in areas such as property management and governance.

Parishes

There are approximately 170,000 people who identify as Catholic within the Clifton Diocese. On a daily basis, parishioners gather together in our Churches for worship within the parishes, creating local Catholic communities which underpin the formation of their faith and deliver outreach to the wider communities in which they are based.

There are 81 active priests (Diocesan and Religious) within the Diocese who lead the parish communities, supported by 41 deacons many of whom combine their religious vocation with career and

family responsibilities. In addition, there are many retired priests who continue to provide support and ministry where needed.

The role of the laity within the Diocese continues to be a central feature to the life of our Catholic community and as a result there is a focus on their formation, growth and spiritual wellbeing. A key role of the department for Adult Education and Evangelisation is to facilitate various training events and provide resources to assistance with formation activities.

Throughout 2021 the Coronavirus pandemic and the required COVID-19 control measures continued to have an impact on parish life. Though the churches were open for the celebration of Mass, attendance levels remained lower than pre-pandemic. The celebration of life events continued to be restricted during the year, which impacted the provision of the Sacraments.

Mass Attendance and Sacraments

	2021	2020
Baptisms	1,017	695
Received into the Church	67	63
First Holy Communions	1,215	684
Confirmation	440	98
Sunday Mass attendance	13,698	9,336

Outreach to local communities through work in food banks, soup runs and support groups for the elderly remains a key element of parish life. As restrictions were relaxed during the year, volunteers returned to support the various activities. Parish properties continue to be utilised by local community support groups and this began to meet again regularly to the latter part of the year.

The Diocese and parishes have close links with CAFOD (Catholic Agency for Overseas Development) and through this and other routes, there is strong support from across the Diocese for overseas work in areas of poverty, war and where natural disasters have taken place. There are also various initiatives undertaken to support refugees both in the UK and overseas.

The 107 parishes comprising the Clifton Diocese form the core of our Catholic community. They are served by 63 secular priests and 18 priests from orders and other missions. The priest fulfils the central role in the parish ministering sacraments, leading worship and in wider ministry to the faithful and the community at large.

Clifton Diocese is also fortunate to be served by a team of 41 permanent deacons who are vital to the pastoral life of the Diocese. The deacons offer ministry to the Church sometimes alongside, and woven into, a full working career and family life. In many parishes that share priests, the deacon works under the direction of the priest in the delivery of pastoral care.

The parishes co-operate as 13 deaneries. This structure facilitates local collaboration and provides a collegiate environment for parish priests.

The parishioners fund both the upkeep of the Church buildings and the accommodation and living costs of their priests. In addition to this responsibility, they contribute through a parish share to the support of the Diocesan departmental structure and a vast range of external charities and groups. As well as their financial contribution, the parishioners also contribute time and effort both to the running of their parishes and to the wider community through groups providing local support and welfare services. Some of our parishes are operating in communities facing the challenges of unemployment and social deprivation and community building is integral to the work of these parishes.

Schools

There are 54 Catholic Primary, 7 Catholic secondary schools and a sixth form college, 2 independent special schools and 5 other independent schools within the Diocese. During 2021, nine of the primary schools participated in a pilot scheme funded by the Department of Education to develop two Catholic Multi-Academy Trusts in the Diocese. The Dunstan Educational Trust and the Cardinal Newman Educational Trust were incorporated on 31 March 2021, with six schools and three schools respectively transferring into the Trusts on 1 March 2022.

Over 22,631 pupils are educated in our schools and whilst priority is given to Catholic applicants, approximately 49% of pupils are drawn from outside the Catholic community. The schools at times may have to provide education in challenging circumstances to very diverse communities and the ongoing impact of the Coronavirus pandemic has continued to stretch capacity as both teachers and pupils in our schools have been required to self-isolate.

Modified monitoring of the academic performance of schools continued. Though face to face engagement with schools has been limited, the Diocesan Department for Schools and Colleges have engaged remotely by offering online training and development session, whilst continuing to work closely with the relevant Local Authorities, the Regional Schools Commissioner and OFSTED to ensure that high quality education is delivered, and the Catholic ethos of the schools maintained.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty as defined 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. In making this declaration, the Trustees consider the work of the Diocese in supporting our charitable objects and the sections below elaborate further on the key areas of the benefit of our work to the public.

Access to our Churches

Our Churches are an important part of how our communities define themselves and they are a significant feature in many towns and cities. Most of these buildings are between 30 and 150 years old and some are of historical and architectural importance. Some are listed by Historic England. We are guardians of a heritage that has been passed on to us and we will always do our best to pass them on in good order to the next generation. All of them are subject to a need for constant maintenance and repair and this is a significant part of our overall expenditure.

Help to the needy

When we come to love of our neighbours, Jesus Christ was very clear that this did not just mean those who live next door to us, but everyone that we share this beautiful God-given planet with. Our clergy and parishioners reach out not just to their own members, but also to all who may need their help. They can be found helping on soup runs and feeding the homeless, at night shelters and food banks, assisting disabled adults and children, visiting the sick at home, in a nursing home, or in hospital, dealing with Fair Trade and a whole range of environmental issues, working for justice and peace at home and abroad, helping with asylum issues and counselling those with all sorts of problems. Finally, raising awareness of the plight of the marginalised in many parts of the world, and raising funds to give practical assistance to such areas and peoples.

Co-ordinating collective fundraising efforts

For accounting purposes, the money that churchgoers raise for third parties is not classified as church income. However, the reality is that without the help and structure of the Church, these funds would not be raised. So, for the Church, charity is not a welfare activity which could be left to others, but an integral part of what it means to be a person of faith and a member of the Roman Catholic Church.

Education

The number of primary and secondary schools with which we are involved makes us a significant figure in the field of education. We are involved with as many, if not more schools, than many local education authorities. Whilst our primary thrust is to provide places for Catholic children, it is also true that the schools have a significant number of pupils and staff from other Christian traditions and other faiths. We constantly encourage via our Curia, to make sure that all our schools are striving for excellence for all pupils, and we value the contribution that these schools make to their local communities. We always aim to have our schools as beacons of excellence, not only academically but also in faith and morals. In this way, we help to show our love of our neighbours.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees actively reviews the major strategic business and operational risks to which the Charitable Company is exposed and confirm that these have been reviewed and strategies and systems have been established to mitigate exposure to these risks. Each Head of Department and Sub-Committee of the Board is required to monitor changes and develop systems to mitigate risk whenever possible. The key risks identified by the Board include:

- Effective implementation of Health & Safety legislation
  Mitigations:
  - Online training modules available for employees and volunteers
  - Detailed policies and procedures in place, with regular review undertaken
  - Risk assessment and checklists completed for the reopening of the churches
  - Development and implementation of Safety Toolbox for parishes

- Safeguarding of children and of vulnerable adults
  Mitigations:
  - Structured training programme in place for Clergy, Employees and Volunteers
  - Diocesan Safeguarding team consist of experienced Safeguarding professionals
  - National Catholic safeguarding policies and procedures are implemented
  - Safeguarding Committee established as a sub-committee of the Board of Trustees

- Compliance with Data Protection Regulations
  Mitigations:
  - Mandatory training and refresher training modules for Curia colleagues and Parish Administrators
  - Detailed policies and procedures in place, with regular review undertaken

- Resource constraints
  Mitigations:
  - Regular review of Clergy resources is undertaken
  - Succession plans in place for Clergy and key employees

FUNDRAISING APPROACH

Clifton Diocese is registered with the Fundraising Regulator and abides by the Code of Fundraising Practice. The majority of our fundraising activity is carried out within parishes via direct contact with parishioners. Parishioners are also contacted by email if they have provided consent, either directly or indirectly, for example via the parish newsletter. Fundraising appeals are managed by the Diocese across all parishes. The Diocese does not employ commercial fundraisers or contact members of the public who are not parishioners. Our parishes, led by our priests, have a duty of care toward any vulnerable parishioners and we take great care to ensure they are treated with dignity and respect and in accordance with our safeguarding policies.

To date no complaints about fundraising activities have been received by the Diocese. (2020: Nil)

GOVERNANCE AND MANAGEMENT

Governance

The Diocesan Trustees led by the Bishop, in conjunction with the canonical bodies of the Diocese, are responsible for formulating strategies which deliver the pastoral work of the Diocese. They develop policies which ensure compliance with civil legislation and ensure the dissemination of such policies throughout the Diocese, for example safeguarding and health and safety. Through the Committee structure they oversee all aspects of compliance with relevant legislation including financial controls, management of Diocesan properties and employment issues.

The Bishop is appointed by the Pope as chief shepherd, teacher and sanctifier of the Diocesan flock in the Diocese. The Bishop also has a role as the leader of an organisation with 144 employees, assets of £53.1m and income of £14.6m. He is advised by a Bishop's Council of senior clergy and chairs the Board of Trustees, formed of both clergy and lay members.

The Bishop is empowered to appoint and remove all Trustees. The Trustee body is made up of clergy and lay faithful of the Diocese. There are 10 Trustees of which the Bishop is the Chairman. The 5 other clerical Trustees are appointed for their expertise in parochial, spiritual, pastoral and canonical expertise. The 4 lay Trustees are selected for their wide-ranging business and educational expertise. Additional lay Trustees are currently being appointed following retirements and resignations during 2022. Trustees are appointed for a term of three years renewable up to a maximum of nine years. Periodically a skills audit is undertaken, and skill gaps identified bearing in mind the current areas of work which provide specific challenges for the Diocese. Recruitment is carried out after advertising throughout the Catholic community of the Diocese.

When the Charity Governance Code was published in July 2017, the Trustees evaluated the Board's performance against each principle of the Code and found that the Diocese met most of the outcomes. The Trustees adopted the Code and have aspired to meet all requirements. Following the publication of the revised version in December 2020, a review is planned during 2022 in order to consider any further requirements of the updated Code.

New Trustees are given an induction which includes a pack of information on the constitution, governance and operation of the Diocese. All Trustees are expected to be familiar with the central departments and the parishes of the Diocese. The Trustees are also encouraged to attend any courses which will support the development of their role and in-house training sessions are provided to update on any changes in legislation.

The Board has established several committees to look at specific aspects of the Charity and they report back to the main Board of Trustees.

The Bishop and employees of the Diocese wish to acknowledge the contribution made by the Trustees and the support that they give to the Diocese in terms of both skills and time.

A list of the Trustees and the key committees of the Diocese are set out below:

Charitable Company:

Clifton Diocese
St Ambrose
North Road
Leigh Woods
Bristol BS8 3PW

Trustees of Clifton Diocese:

Right Reverend Declan Lang, Bishop of Clifton (Chair)
Rev. Mgr. Canon Bernard Massey VG (Vice Chair) (Moderator of the Curia)
Rev. Mgr. Canon William Slattery VG
Rev. Canon Richard Dwyer
Rev. Canon John Cunningham
Rev. David Mills
Rev. Paul White (Resigned 18/07/2022)

Mr Stephen McNulty
Ms Ruth FitzJohn (Resigned 28/02/2022)
Mrs Margaret Young (Resigned 13/07/2022)
Mrs Catherine Hipkiss (Resigned 28/02/2022)
Dr Timothy Coyle
Mr Michael Setter (Resigned 18/07/2022)
Mrs Michelle Morgan (Resigned 25/10/2021)
Dr Michael Thompson
Mr Richard Ashby

Minute Secretary to the Trustees:

Mrs Paula Asquith

Private Secretary to the Bishop:

Miss Alessia Dini

SUB-COMMITTEES

The members of the nine main sub-committees are as follows (Trustees denoted with (T)).

The Audit Committee:

Rev. Mgr. Canon Bernard Massey VG (T) (Chair)
Mr John Kyffin
Mr Michael Setter (T) (Resigned 18/07/2022)

This committee is made up of a minimum of one Trustees (Moderator of the Curia) and 1 lay member. The Chief Operating Officer and Diocesan Financial Administrator / Head of Finance, as well as the lead partner from our Auditors are in attendance. They meet twice per year to focus on financial reporting, control and governance.

The Investment Committee:

Dr Timothy Coyle (T) (Chair)
Ms Fiona Macpherson (Resigned 03/05/2022)
Rev. Mgr. Canon Bernard Massey VG (T)
Mr James Rodgers (Resigned 25/10/2021)
Rev. Paul White (T) (Resigned 18/07/2022)
Mr Michael Setter (T) (Resigned 18/07/2022)
Ms Ruth FitzJohn (T) (Resigned 28/02/2022)
Ms Jenny Tozer
Ms Rosamond Harris

This committee is made up of at least 2 Trustees and 2 lay professional members and meets with the lead member from our investment manager, currently Tilney Smith & Williamson. The Chief Operating Officer and the Diocesan Financial Administrator / Head of Finance are in attendance. It generally meets twice per year but in volatile times has a mechanism in place to meet more frequently. The Investment Committee is a sub-committee of the Finance Committee.

The Clergy Welfare Committee:

Rev. David Mills (T) (Chair)
Rev. Canon Alan Finley
Rev. Canon Bosco MacDonald
Rev. Colin Mason
Rev. Trevor Jones

The Clergy Welfare Committee reports to the full Trustee Board via the HR Committee. This committee deals with the welfare of all clergy but particularly those who due to age, infirmity or other circumstances need assistance. The Chief Operating Officer and Diocesan Management Accountant are in attendance.

The Property Committee:

Rev. David Mills (T) (Appointed 27/04/2022) (Chair)
Rev. Paul White (T) (Resigned 18/07/2022)
Rev. Mgr. Canon Bernard Massey VG (T)
Mr Stephen McNulty (T)
Mr Michael Setter (T) (Resigned 18/07/2022)
Mr Richard Ashby (T)

This committee is made up of a minimum of 4 Trustees with the Head of Property Services, Chief Operating Officer and the Diocesan Financial Administrator / Head of Finance in attendance. Its role is to look at all property related issues in parishes and to give approval for small works (up to £300k) and where possible to make recommendation to the main Board for approval on works over this limit. The Property Committee generally meets 6 times a year. The Head of Property Services and the Diocesan Financial Administrator / Head of Finance have a further delegated responsibility per a schedule approved by Trustees.

The HR Committee:

Right Reverend Declan Lang, Bishop of Clifton (Chair) (T)
Rev. Mgr. Canon Bernard Massey VG (T)
Rev. Mgr. Canon William Slattery VG (T)
Rev. David Mills (T)
Mrs Catherine Hipkiss (T) (Resigned 28/02/2022)

This committee is composed of 4 Trustees as well as having the support of a professional HR Advisor who is retained by the Diocese to give information and advice as needed. This committee deals with all employment related issues in the Diocese. It is chaired by the Bishop with the Chief Operating Officer, the Executive Assistant to the Chief Operating Officer and the HR Advisor in attendance.

The Finance Committee:

Rev. Mgr. Canon Bernard Massey VG (T) (Chair)
Rev. Mgr. Canon William Slattery VG (T)
Dr. Timothy Coyle (T)
Rev. David Mills (T)
Mrs Ann Tarr

This committee is composed of 4 Trustees plus 1 other financial expert with the Chief Operating Officer and the Diocesan Financial Administrator / Head of Finance in attendance. Its role is to look at all finance related issues in parishes and to give approval for expenditure (up to £300k) and where possible to make recommendation to the main Board for approval on expenditure over this limit. The Finance Committee generally meets 6 times a year. The Diocesan Financial Administrator / Head of Finance has a further delegated responsibility per a schedule approved by Trustees.

The Risk Committee:

Rev. Mgr. Canon Bernard Massey VG (T) (Chair)
Mrs Margaret Young (T) (Resigned 12/07/2022)
Ms Ruth FitzJohn (T) (Resigned 28/02/2022)
Rev. Canon John Cunningham (T)

This committee, which is composed of a minimum of 2 Trustees, with the Chief Operating Officer in attendance, meet at least twice a year to undertake a detailed review of risk management.

The Health and Safety Committee:

Mr Richard Ashby (Appointed 29/09/2021) (Chair)
Rev. Paul White (T) Resigned (18/07/2022)
Rev. Mgr. Canon Bernard Massey VG (T)
Mrs Margaret Young (T) Resigned (13/07/2022)

This committee is composed of a minimum of 2 Trustees with the Chief Operating Officer, the Diocesan Head of Property Services and the Health and Safety Co-ordinator in attendance. It meets on an ad hoc basis to review health and safety activities.

The Safeguarding Committee:

Mr Richard Ashby (T) (Chair)
Rev David Mills (T)
Ms Ruth FitzJohn (T) (Resigned 28/02/2022)
Rev Paul Brandon
Dr Maame Sarfo
Mr Steve Livings (Resigned 07/10/2021)

The committee is composed of a minimum of 2 Trustees, a clergy representative with safeguarding experience and one independent safeguarding experts. It will generally meet 6 times a year and the Chief Operating Officer and Diocesan Safeguarding Coordinator will be in attendance. Its role is to review the performance of the Diocese in safeguarding matters in order to ensure that it is operating within the standards, policies and procedures of the Catholic Safeguarding Standards Agency.

Clifton Catholic Diocesan Education Foundation / Academy Project Board

This is a company limited by guarantee and the Board of Directors is comprised of the Trustees with education experience, the Chief Operating Officer, the Director of Schools & Colleges, the Schools Partnership Officer and an independent educational expert. Its role focuses on two keys areas, holding the Diocesan academies to account under its remit as a corporate member and to consider and approve applications for Diocesan schools to convert into multi academy trusts. The Board generally meets 6 times a year.

Council of Priests

The priests in this body meet at least twice per year to advise and discuss with the Bishop a variety of pastoral issues that are relevant to the Diocese. Recent matters discussed include the future of the parish of Holy Cross, Bedminster following the permanent closure of the Church building.

Diocesan Pastoral Council

This council is made up of a mixture of lay and clerical members from around the Diocese, together with some staff from the central departments. It meets as required to look at strategic planning to deal with the pastoral needs of diverse communities that make up our parishes and deaneries.

Bishop's Council

This confidential council is composed of the 2 Vicars General and the Judicial Vicar (all of whom are Trustees) who meet with the Bishop to discuss any aspects of the life of the Diocese that the Bishop wishes to air with them. It generally meets monthly and the Chief Operating Officer is in attendance.

Pastoral Management

The Bishop is supported in his pastoral leadership of the Diocese by two Vicars General, one of whom also acts as Moderator of the Curia and provides a link between the civil and pastoral direction of the Diocese. The Bishop is advised by the Bishop's Council and the Chapter of Canons. The Council of Priests provides the link to the parish priests and deaneries.

The Bishop also undertakes parish visitations, visits to schools and presides over annual Diocesan events such as the Rite of Election, the Chrism Mass, the Pilgrimage to Glastonbury and the Diocesan Day.

The Trustees and Committees are supported in their work by the Curia.

The Curia is comprised of several departments that work together to provide a robust and effective administrative structure to support the parishes and schools and provide day to day support for the delivery of pastoral aims.

SENIOR MANAGEMENT TEAM

Mrs Lyn Murray – Chief Operating Officer
Mrs Colleen Collett – Director of Schools and Colleges (Resigned 30/04/2022)
Ms Rebecca Cawsey – Safeguarding Coordinator
Mr Simon Hussey – Diocesan Financial Administrator / Head of Finance (Appointed 14/02/2022)
Mrs Jo Long – Head of Property Services
Miss Sarah Adams – Director of Adult Education and Evangelisation
Mr Philip Gibbons – Communications Officer

Remuneration Policy

Remuneration for the senior management team is determined by the HR Committee by benchmarking roles against similar positions in other Dioceses and the charity sector, with the aim to attract, retain and motivate a talented leadership team who are focused on supporting delivery of the Diocesan mission.

DIOCESAN DEPARTMENTS

Adult Education & Evangelisation

This team supports and promotes all aspects of Catholic education and formation. It works to promote an understanding and implementation of the General Directory for Catechesis and the Rite of Christian Initiation of Adults as the model for all sacramental preparation. It also provides support in areas of marriage & family life and youth ministry. The Diocesan Liturgy Office, working within the department also provides formation, support and development of the liturgical life of parishes.

Safeguarding

The Safeguarding team works for the protection and safety of all and specifically for children and vulnerable adults with whom the Diocese has contact or for whom it has responsibility. The team also oversees the safe recruitment and safeguarding training for Clergy, employees and volunteers.

School and Colleges

This department both advises the Trustees of all aspects of education and works closely with the Catholic staff of the school and colleges of the Diocese. It also has a service level agreement with schools to provide a range of services to each institution.

Property Services

This department works both with the central Curial offices and the individual parishes to deal with the vast range of issues associated with churches and properties, such as health & safety requirements to ensure compliance with law. The team also supports with issues relating to diocesan owned school buildings and land and oversees facilities management for all curia properties.

Finance

This department deals with a multitude of financial and administrative aspects of the work of the Diocese. It not only co-ordinates the central finances and budgets of the Diocese but it also collects all parish shares and deals with all aspects of Gift Aided donations and salaries for the individual parishes and their staff.

Communications

The Communications Office works to positively promote the activities and teachings of the Church using all forms of media, including the diocesan website, social and print media.

PARISHES

The 107 parishes in the Diocese have the day to day administration of the property and assets delegated to the parish priests who are advised by their parish finance committee.

VOLUNTEERS

Over 3,000 volunteers help in all areas of the work of the Diocese, particularly within the parish environment and without their assistance the parishes could not function. The Trustees, Clergy and our employees are very grateful to them for the time and commitment they give to support the activities of the Diocese. Certain volunteers such as Treasurers, School Governors and Parish Safeguarding

Representatives are required to attend regularly training courses and briefing so that they are properly equipped for their roles in the Diocese.

RELATED PARTIES

Subsidiary Charities

The following charities' income, expenditure and assets have been included in the financial statements of Clifton Diocese, as the Charitable Company is the sole Corporate Trustee. The amounts are not material and therefore we have not presented entity-only financial statements:

CHARITY NAME	REGISTERED NO.
Clifton Catholic Diocesan Trustees Registered	1170168-7
Edith Mary Young Memorial Fund	1170168-1
Elizabeth Lady Herbert Foundation	1170168-2
Heaven's Roman Catholic Orphanage for Girls	1170168-3
Lady Arundell of Wardour Bequest for Training of Students for the Roman Catholic Priesthood	1170168-4

The following charities have not been activated:

St Francis of Assisi Roman Catholic Church, Nailsea	1170168-5
Clifton Diocesan Common Investment Fund	1170168-6
The Diocese of Clifton Education Trust	313215

STATEMENT OF TRUSTEES' RESPONSIBILITIES

We are responsible for preparing the Trustees' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires that we prepare the financial statements for each financial year. Under that law, we have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law we must not approve the financial statements unless we are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the profit or loss of the Charitable Company for that period. In preparing these financial statements, we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards 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 Charitable Company will continue in business.

We are responsible for keeping proper accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable us to ensure that the financial statements comply with the Companies Act 2006. We are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STRATEGIC REPORT

ACTIVITIES AND ACHIEVEMENTS DURING THE YEAR

In view of the ongoing impact of the Coronavirus pandemic, supporting parishes throughout this uncertain period continued to be a key focus for the Diocese. As restrictions were partially lifted during the year, areas of activity and achievement are as follows:

- Ongoing guidance and support provided to parishes for the celebration of the Sacraments which had previously been restricted. This included Baptism, First Communions, Confirmations and the Anointing of the Sick.

- Due to Mass attendance remaining lower that pre-pandemic levels and the subsequent loss in parish income, continued financial support was provided to parishes by an ongoing reduction in the parish share contributions.

- A Contactless Giving proposition was made available to parishes and over thirty-five have installed this functionality. In excess of £250,000 in donations has been collected by these parishes in the first sixteen months.

- The provision of online training sessions by the various Curia departments including Adult Education and Evangelisation, Safeguarding and School and Colleges are now available on a permanent basis.

- Live stream of Masses continues in thirty parishes within the Diocese, enabling parishioners to participate in the Liturgy when they were unable to attend in person.

Clergy Support

One seminarian was ordained a Priest in July and will start as Assistant Priest in a parish during September.

There are two potential candidates that are considering the priesthood and they are being supported in their discernment by the Diocesan Director of Vocations.

There are twelve students in formation for the Permanent Diaconate. Two students are in their fourth year of formation and are due to be ordained in September 2022. Five students are in their third year, three in their second and two students in their first year of formation. Three students are also joining the programme in September 2022. Five individuals are embarking on the journey of discernment for the next twelve months prior to submitting of an application to join the formation programme.

Throughout the year four Diocesan priests celebrated their ordination jubilees, with one individual celebrating his Golden Jubilee of fifty years as a priest.

Education

Implementation of the Diocesan School Strategy for all schools to be in a Multi-Academy Trust continues to be a key priority for the Diocese. The success of the Department of Education's Catholic MAT formation pilot scheme, which resulted in the formation of the Dunstan Catholic Educational Trust and the Cardinal Newman Educational Trust, has encouraged the remaining five school partnerships to consider their approach to moving forward. Individual schools in need of sponsorship

support for areas such as school improvement and Catholic leadership are in discussions with the new Trusts with the aim of joining the existing groups of schools.

Regular meetings continue to be held with the Regional Schools Commissioner and the Regional Delivery Directorate to support the ongoing engagement with the school partnerships and to provide support to individual schools as necessary.

Following the release of the £5m creditor balance from the historical sale of St Joseph's site in Swindon, a three year planned programme of capital expenditure on our voluntary aided schools has been agreed. This will enable the improvement of the school estates prior to the transfer into multi academy trust structures.

Pastoral and Formation Activities

Pastoral and formation activities continued to be impacted by the Coronavirus restrictions in place across England over the last twelve months, with the annual events such as the Diocesan Day and the pilgrimages to Lourdes and the Shrine of Our Lady in Glastonbury being cancelled again for a second year.

However, the use of technology to facilitate online courses and group meetings has enabled ongoing formation of both clergy and laity. The Pastoral Ministry Course linked to the University of Loyola in Chicago has proved successful and a new cohort will be starting the course in September 2022. An inhouse Pastoral Ministry Skills course has also been developed to compliment the Loyola course. Both courses aim to develop the pastoral skills and understanding of the students in order to enable them to effectively support the pastoral activities in their parishes.

Sharing the Journey provided an opportunity for catechists to be renewed and refreshed by taking part in a series of online conversations with a variety of speakers from around the country. Speakers offered their own insights into different aspects of catechesis and evangelisation and time was provided for discussions, comments and the sharing ideas.

Following the invitation from Pope Francis for every person in the Church to participate in the worldwide Synod, online Synod Facilitation Training sessions were provided to support those facilitating Synod Listening Conversations in parishes.

Property

The refurbishment of the Catholic Chaplaincy for the Universities of Bristol continued through 2021 and the project is now scheduled for completion in July 2022, with students in occupation from 1 September 2022. The Chaplaincy includes ensuite residential facilitates for fourteen students, together with a separate accommodation for the resident Chaplain. The adjoining Chapel to the Chaplaincy building is also undergoing a small programme of refurbishment and this due to be completed at the beginning of September 2022.

The major programme of refurbishment and repairs of St Bernadette's, a Grade II listed building in Whitchurch, Bristol has now been completed. Works completed included repairs to the iconic roof structure, replacement of glazing units, the provision of disabled access and an upgraded energy efficient heating system.

Financial Impact of the Coronavirus pandemic

With the continued financial impact of the pandemic on our parishes, ongoing financial support was provided throughout 2021. Parish share contributions were adjusted for the year, which resulted in a

reduction of £224k on annual contribution from the parishes towards Curia funds. As a result of lower Mass attendance and the impact on parish income, £93k financial support was also provided to Diocesan parish priests in lieu of Annual Easter offerings.

In order to fund the reduced in Curia income, it was agreed by the Trustees to drawdown £1m from restricted and designated reserves to support the funding of the Curia operational budget for 2021.

A deficit Curia operating budget is forecasted for 2022 due to the lower parish share contributions and anticipated reduced income from Diocesan special collections such as Clergy Training and Clergy Welfare. Therefore, the Trustees have agreed to drawdown a further £800k from restricted and designated reserves, if necessary, at the year end.

In spite of the ongoing need to use reserves during 2022, the Trustees are confident that the ongoing support for the parishes can be provided, and the Diocese continues to be a going concern.

Financial risk management objectives

As described in the Trustees' report, the Charitable Company has established a risk and financial management framework whose primary objectives are to protect the Charitable Company from events that hinder the achievement of the Charitable Company's objectives. The Charitable Company has no operations outside of the UK and is not exposed to movements in exchange rates, and therefore does not enter into transactions with derivative instruments. Cash flow and liquidity risk is covered by forecasting and management of cash. The Charitable Company has no significant individual debtors and therefore limited credit risk.

Key areas of work for the future

- Ongoing review of the five-year plan for Curia expenditure and Free Reserves, with consideration given to targeted fundraising activities if necessary
- Continue to encourage all vocations within the Diocese and work with the Vocations team to bring forward candidates for the priesthood
- Actively support the formation of further Multi Academy Trusts within the Diocese and the growth plans of the two newly formed Multi Academy Trusts
- Ongoing review of parish and deaneries structures with a particular focus on clergy resource
- Develop carbon accounting to enable the tracking of carbon emissions throughout the Diocesan property estate

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Financial Statements have been prepared in accordance with the principles contained in the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) – issued by the Charity Commissioners for England and Wales and in accordance with the accounting policies set out in note 1 to the Financial Statements.

The Financial Statements do not include any value for school properties. Trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the Charitable Company. They do not generate income and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

Curial Funds

Curial income includes the parish share, which is a contribution from the Diocesan parishes towards the running costs of the Curia. It is presented in the published accounts as a "transfer between funds".

Total Curial income was higher in 2021 at £5,859k compared to £914k in 2020, as a one-off release of a creditor of £5,178 during 2021 increased the income for the year. There was an overall gain of £1,082k on fixed asset investments in 2021 compared to a gain of £391k in 2020. Included in the 2021 investment gain was a £85k increase in the revaluation of investment properties (£136k in 2020). The investment portfolio generated investment income of £216k in 2021 (2020: £212k).

Total Curial expenditure was £2,812k (2020: £4,131k). There are a number of reasons for the increase. 2021 saw an increased expenditure on building costs and professional fees in relation to Curial managed church projects. More expenditure in 2021 on support for school improvements in specific Diocesan schools mainly due to a large credit reducing costs in 2020.

Overall, Curial Funds increased in the year by £4,772k (2020: decrease of £465k).

Total Curial Funds at 31 December 2021 were £22,906k (2020: £18,134k) of which £12,953k (2020: £12,723k) were unrestricted. Fixed assets account for £2,432k (2020: £1,075k) of total Curial Funds of which £2,205k (2020: £841k) is unrestricted. Total Curial Funds include £926k (2020: £635k) net balances due from parishes.

Parochial Funds

The unrestricted offertory, donations and legacies income for the year was £4,871k (2020: £4,490k). Income from charitable activities, including fundraising income, was £1,744k (2020: £1,457k). The main reason for the increase in income is due to churches being re-opened although at reduced capacity after the peak of the pandemic. Included in other income 2021 £1,797k is the sale of Woodchester Hill House for £800k.

The charitable expenditure by the parishes was higher in 2021 at £6.1m (2020: £6.0m). This was only a marginal increase with both years having the effect of the pandemic with resulting church closures for part of the year and parish employees being placed on furlough, resulting in reduced operating costs in both years.

Overall Parish Funds increased in the year by £1,473k (2020: £125k).

Total Parish Funds at 31 December 2021 amounted to £30,160k (2020: £28,687k) of which £29,248k (2020: £27,717k) was unrestricted. Freehold land and buildings account for £14,817k (2020: £14,225k) of total Parish Funds of which all are unrestricted.

INVESTMENT POWERS

The Trust Deed authorises the Trustees to make and hold investments using the funds of the Charitable Company without any restrictions, according to the law for the time being in force and in the purchase of real property of any nature or tenure. In the case of property held as permanent endowments, no investment may be made in any manner not authorised by or without such consent required by the instrument creating the permanent endowment and no sale or exchange of real property shall be made without the consent of the Charity Commissioners and the Companies Act 2006.

Investment Policy and Performance

Investment balances are managed by Tilney Smith & Williamson (name changed to Evelyn Partners) on a discretionary basis. The aim of the investment portfolio is to maintain the purchasing power of the capital while maintaining an income stream. General Diocesan deposits are invested in a spread of short-term bank deposits. In 2014 a secondary investment portfolio was established with a smaller proportion of equities than the main portfolio in the anticipation of generating better returns than fixed interest deposits.

The Investment Committee reviews the performance of the main portfolio against the appropriate indices. The primary benchmark index is RPI with a secondary benchmark of the APCIMS Balanced Index. Excluding additional investment, the underlying funds increased in value by 12.7% (yield and capital growth). The Trustees remain confident that the performance demanded by the investment policy will continue to be achieved against the backdrop of a currently volatile market.

The Investment Committee continues to invest Diocesan funds in accordance with an ethical policy which was amended in 2020 to specifically exclude investments in companies which receive more than 10% (as a de minimus value) of their revenues from:

- Adult entertainment
- Production of contraceptives
- Healthcare relating to abortions
- Military/armaments
- Gambling
- Tobacco
- Alcohol

RESERVES POLICY

The free reserves held by the Charitable Company are those funds that are freely available to be spent in pursuing the Charitable Company's purpose. Tangible fixed assets, permanent endowment, restricted and designated funds are not included in free reserves.

The free reserves of the Charitable Company at the financial year-end were:

	2021	2020
	£'000	£'000
Total Funds	53,066	46,821
Less: Permanent Endowment Funds	(964)	(875)
Restricted Funds	(9,901)	(5,506)
Designated Funds	(5,125)	(5,708)
Tangible Fixed Assets	(17,022)	(15,066)
Free Reserves of the Charity	**20,054**	**19,666**

The Trustees carefully monitor the level of free reserves as part of their longer-term financial planning that includes not only the on-going programme of property repairs and new builds but includes a ten-year programme of schools' expenditure. The officers on behalf of the Trustees also monitor cash on a day to day basis to ensure liquid funds are available for routine expenditure.

In view of the nature of the Charitable Company, the Trustees consider that the holding of reserves is necessary to provide a buffer against short-term fluctuations in income and expenditure and to provide sufficient resources to implement long-term projects which are by their nature uncertain in their financial effect. The timing of the call for Diocesan funds for the schools' building programme will depend on the availability of funding by the Education Funding Authority.

Free reserves have increased by £388k during the year. The free reserves represent 23 months of recurring unrestricted expenditure (2020: 23 months). In the light of the long-term characteristics of the expenditure plans the Trustees consider that the Charitable Company should maintain free reserves of at least 24 months recurring unrestricted expenditure.

The parochial free reserves form £14.1m (2020: £13.2m) of the total £20.1m (2020: £19.7m). It should also be noted that whilst the balance sheet shows "cash at bank and short-term deposits" of £20.6m (2020: £22.6m), this balance includes sale proceeds of £5.2m (2019: £5.2m) held for future schools building projects and other funds held for restricted purposes.

Approved by the Trustees on the 31st August 2022 and signed on their behalf by:

Rt. Rev. Declan Lang
Bishop of Clifton
(Chairman)

Independent auditor's report to the members of Clifton Diocese

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of the charitable company'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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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.

Responsibilities of trustees for the financial statements
As explained more fully in the trustees' responsibilities statement set out on pages 15 and 16 the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon Law, Company Act 2006, Charities Act 2011, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the

preparation of the financial statements such as Canon Law, Companies Act 2006, Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2015), FRS102 and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees minutes
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

K E Bt

Kathryn Burton (Senior Statutory Auditor)
10 Queen Street Place
For and on behalf of Haysmacintyre LLP, Statutory Auditors
London

EC4R 1AG

Date: 31st August 2022

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

STATEMENT OF FINANICAL ACTIVITIES (SOFA) FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted Funds		Restricted Funds		Endowment Funds		Total Funds	Total Funds	**Total Funds**	Total Funds
	Notes	Curial £'000	Parochial £'000	Curial £'000	Parochial £'000	Curial £'000	Parochial £'000	Curial £'000	Parochial £'000	**2021 £'000**	2020 £'000
Income and endowments from:											
Donations and legacies	3	83	4,871	27	-	-	-	110	4,871	**4,981**	4,834
Government Grants	4	30	114	-	-	-	-	30	114	**144**	261
Charitable activities	5	277	1,744	-	-	-	-	277	1,744	**2,021**	1,673
Other trading activities	6	-	-	-	-	-	-	-	-	**-**	6
Investments	7	196	173	39	-	-	-	235	173	**408**	458
Other		29	1,797	5,178	-	-	-	5,207	1,797	**7,004**	624
Total income and endowments:		615	8,699	5,244	-	-	-	5,859	8,699	**14,558**	7,856
Expenditure on:											
Raising Funds		32	-	-	-	-	-	32	-	**32**	34
Charitable activities	8	3,500	6,140	11	-	-	-	3,511	6,140	**9,651**	8,779
Other		-	-	-	-	-	-	-	-	**-**	-
Total expenditure:		3,532	6,140	11	-	-	-	3,543	6,140	**9,683**	8,813
Net gains/(losses) on investments		904	253	112	12	66	23	1,082	288	**1,370**	617
Net income/(expenditure)		(2,013)	2,812	5,345	12	66	23	3,398	2,847	**6,245**	(340)
Transfers between funds	19	2,243	(1,281)	(869)	(93)	-	-	1,374	(1,374)	**-**	-
Net movement in funds		230	1,531	4,476	(81)	66	23	4,772	1,473	**6,245**	(340)
Total funds brought forward	2	12,723	27,717	4,754	752	657	218	18,134	28,687	**46,821**	47,161
Total funds carried forward		**12,953**	**29,248**	**9,230**	**671**	**723**	**241**	**22,906**	**30,160**	**53,066**	46,821

The net movement in funds shown above arises entirely from continuing activities. Comparative figures for 2020 by fund can be found in note 2.

BALANCE SHEET AS AT 31 DECEMBER 2021 for Clifton Diocese Company No. 10462076

		2021			2020		
	Notes	Curial £'000	Parochial £'000	**Total £'000**	Curial £'000	Parochial £'000	Total £'000
FIXED ASSETS							
Tangible fixed assets	10	2,432	14,817	**17,249**	1,075	14,225	15,300
Investments	11	12,629	4,045	**16,674**	11,866	3,438	15,304
		15,061	18,862	**33,923**	12,941	17,663	30,604
CURRENT ASSETS							
Debtors	12	613	95	**708**	800	5	805
Cash at bank and in hand		8,316	12,329	**20,645**	10,764	11,826	22,590
		8,929	12,424	**21,353**	11,564	11,831	23,395
LIABILITIES							
Creditors: amounts falling due within one year	13	(1,937)	(200)	**(2,137)**	(1,787)	(83)	(1,870)
Curia: amounts due from parishes within one year		-	-	-	33	-	33
Parishes: amounts due from curia within one year		-	-	-	-	(33)	(33)
Parish loans		11	(11)	-	2	(2)	-
NET CURRENT ASSETS		7,003	12,213	**19,216**	9,812	11,713	21,525
TOTAL ASSETS LESS CURRENT LIABILITIES		22,064	31,075	**53,139**	22,753	29,376	52,129
Creditors: amounts falling due after more than one year	14	(73)	-	**(73)**	(5,252)	(56)	(5,308)
Parish loans		915	(915)	-	633	(633)	-
NET ASSETS		22,906	30,160	**53,066**	18,134	28,687	46,821

FUNDS	Notes	Curial £'000	Parochial £'000	**Total £'000**	Curial £'000	Parochial £'000	Total £'000
RESTRICTED FUNDS							
Permanent endowment funds	15	723	241	**964**	657	218	875
Restricted income funds	16	9,230	671	**9,901**	4,754	752	5,506
		9,953	912	**10,865**	5,411	970	6,381
UNRESTRICTED FUNDS							
Designated funds	17	7,035	15,112	**22,147**	6,254	14,520	20,774
General fund	18	5,918	14,136	**20,054**	6,469	13,197	19,666
		12,953	29,248	**42,201**	12,723	27,717	40,440
TOTAL FUNDS		22,906	30,160	**53,066**	18,134	28,687	46,821

The balance sheet was approved by the Board of Trustees on the 31st August 2022 and signed on their behalf by the Chairman and Bishop, Right Reverend Declan Lang:

Rt. Rev. Declan Lang
Bishop of Clifton
(Chairman)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £'000	2020 £'000
Cash flow from operating activities:			
Net cash (used in) operating activities:	21	(503)	(265)
Cash flows from investing activities:			
Dividends, interest and rents from investments	7	408	458
Proceeds from the sale of property, plant and equipment		789	10
Purchase of property, plant and equipment	10	(2,639)	(305)
Proceeds from the sale of investments	11	2,863	4,559
Purchase of investments	11	(2,951)	(4,739)
Investment Fees adjustment	11	69	58
Cash held for investment	11	19	(1,053)
Net cash provided by (used in) investing activities:		(1,945)	(1,277)
Cash flows from financing activities:			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	-
Receipt of endowment		-	-
Net cash provided by (used in) financing activities:		-	-
Change in cash and cash equivalents in the reporting period:		(1,945)	(1,277)
Cash and cash equivalents at the beginning of the reporting period:		22,590	23,867
Cash and cash equivalents at the end of the reporting period:		**20,645**	**22,590**

The notes on pages 31 to 55 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Companies Act 2016

The Charity is a Public Benefit Entity registered as a charity in England and Wales.

The principal accounting policies which have been adopted on a consistent basis within that convention are set out below.

Going concern

In spite of the need for Trustees to use a combination of designated and restricted reserves in 2022 to continue to support parishes through the pandemic (by reduced parish share contributions) the Trustees consider they are still able to continue as a going concern. A cashflow Statement has been produced upto Sept 2023 and reserve levels and future plans have been reviewed all of which give Trustees confidence the charity remains a going concern for the foreseeable future.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. The Trustees consider the estimation of useful life of fixed assets to be an area of judgement and estimation that have a significant effect on the financial statements. Further details on these judgements are provided below under tangible fixed assets. Investment property has been valued in accordance with the policy noted below.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Income and endowments

Income is recognised in the period in which the Charity is entitled to receipt, it is probable that income will be received, and the amount can be measured reliably.

1. ACCOUNTING POLICIES (CONTINUED)

Donations and any associated income tax reclaimable from HMRC are recognised on a receivable basis. Donations received for the general purposes of the Charity are credited to unrestricted funds. Donations subject to specific wishes of the donors are carried to relevant restricted funds.

Legacies are accounted for when the conditions for their receipt have been met and the amount can be quantified with reasonable accuracy.

Donated assets are included in the Statement of Financial Activities on a receivable basis using the lower of market value or the value to the Diocese.

Sundry grant income and grants obtained on behalf of School Governors are accounted for on a receivable basis (see Schools Accounting Policy below). Fundraising income is shown net of associated costs.

Income arising from sales of property is recognised as soon as there is a binding agreement. This is usually the date of exchange of contracts. However, if the sale is conditional income is recognised when those conditions have been fulfilled.

All income from endowment funds is restricted income and is expended in accordance with the original terms of the endowment.

Income from Coronavirus Job Retention Scheme (Furlough Scheme) is treated as a Government Grant. The Grant is treated as income and the associated salary costs treated as expenditure.

Expenditure

Expenditure is accounted for in the period in which the Charity becomes obliged to make a transfer of value to a third party. The irrecoverable element of VAT is included within the item of expense to which it relates.

Where an item of expenditure falls directly within one cost category it is attributed to that category only. Where expenditure involves more than one category it is apportioned on a reasonable and justifiable basis.

The Social Club expenditure includes salaries, direct expenditure and overhead costs of running the Charity's proprietary social club.

Grants and donations are payments the charity makes voluntarily to other institutions or individuals to further its objectives. They are charged to the Statement of Financial Activities in the year in which they are payable. Grants and donations also include amounts paid to charities or funds or spent on specific projects. These sums have been collected from parishioners for these specific purposes.

Costs of charitable activities are analysed in the notes by the type of activity.

1. ACCOUNTING POLICIES (CONTINUED)

Governance includes the costs of maintaining records, preparing the accounts, the secretarial function regarding Trustees and other committee meetings.

Employee benefits

Short term benefits
Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits
Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Pensions

The Trustees designate an amount each year which is allocated to the Priests' Retirement Fund. The Clergy Welfare Committee which manages this fund considers the needs of priests in retirement and makes appropriate grants.

In addition, the Parishes made contributions for priests to a Group Personal Pension Scheme. Contributions are also paid for all eligible employees by the Curia to a Defined Contribution Scheme. The assets of the Schemes are held separately from those of the Charity in independently administered funds. The Pension Scheme charge represents contributions payable by the Charity in accordance with the rules of the Schemes.

Schools

The Charity owns the land on which its voluntary-aided schools are built. The nature of the occupation of the land by these exempt and excepted charities means that the Diocesan Trustees do not have the power to dispose of the land until the school ceases its occupation, which in turn would require the approval of the Secretary of State. Consequently, for the purposes of these financial statements the land is not capitalised. The cost of any land acquired for the purposes of a voluntary aided school is charged to the statement of financial activities in the year of acquisition.

Where it has been agreed with the School Governors and the Department for Education that a school property and the land on which it is sited is surplus to requirements the share of the proceeds due to the Department for Education, and any other interested parties, are netted off the total amount receivable. Therefore, only the amount due to the Charity is credited to the Statement of Financial Activities.

The school buildings are occupied, improved, extended and repaired by the school governors. The nature of the occupation of these buildings, by these exempt and excepted charities, means that the Diocesan Trustees do not have control over the buildings until the school ceases its occupation, which in turn would require the approval of the Secretary of State. Consequently, for the purpose

1. ACCOUNTING POLICIES (CONTINUED)

of these financial statements any cost of new building is written off to the Statement of Financial Activities in the year in which it is incurred.

Any grants donated on behalf of the School Governors are netted off against total costs as are the sums received through the Voluntary Contributions Scheme (VCS) and only the residual cost is included in the Statement of Financial Activities.

The Diocese of Clifton includes 44 (2020: 45) maintained schools, 16 Academies (2020: 16), 2 special schools (2020: 2), 5 independent schools (2020: 5) and 1 6th Form College (2020:1). Details of the Diocesan Schools are listed in the Clifton Diocesan Directory.

Taxation

The Trustees consider that the Charity is largely exempt from income tax under the provisions of the Income and Corporation Taxes Act 1988 and the Taxation of Taxable Gains Act 1992. However, provision is made for taxation on the Social Club's income less expenditure.

Tangible Fixed Assets

Only tangible fixed assets with a cost in excess of £5,000 have been capitalised.

(i) Freehold Land
Functional land, (i.e. land used for the primary 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, at its fair value at the date of receipt.

(ii) Freehold Buildings
Functional buildings (i.e. buildings used for the primary purpose of the Charity) are included in the financial statements at original cost or where this is not available at an estimate of their historic cost or in the case of donated buildings at an estimate of their fair value at the date of receipt. All new functional buildings, improvements and major renovations are capitalised at the cost of construction.
The cost of assets held at 31 December 1996 was estimated based on indexing back reinstatement insurance values to the year of acquisition.

Rents are received in respect of certain properties which are held in furtherance of the Charity's objectives and mostly used by the Diocese. Only surplus space is rented. These properties have therefore, all been shown as charitable functional properties.

(iii) Fixtures, Fittings and Equipment
The costs of Churches and the Cathedral include all fixtures and fittings and organs which forms part of the fabric of the building. All other fixtures, fittings and equipment are included in the financial statements at cost.
The insured value of buildings' contents not capitalised is £25 million (2020: £24 million).

1. ACCOUNTING POLICIES (CONTINUED)

(iv) Works of Art and Historic Treasures
Individual works of art, historic treasures and plate are not capitalised, as historic cost information is not available. Because of the many locations over which these assets are dispersed and their specialist nature, obtaining reliable information to estimate their cost would be both time consuming and expensive. The Trustees believe that the cost of carrying out such an exercise would outweigh the benefit of this information to the user of the accounts.

(v) Motor Vehicles
Motor vehicles have been capitalised and included in the financial statements at their historical cost or in the case of donated assets, at an estimate of the value at the date of acquisition.

Depreciation

Depreciation of tangible fixed assets (excluding land) is calculated to write off their cost less any residual value in equal annual instalments over their estimated useful lives as follows:

Churches built prior to 1941 and the Cathedral	1%	(100 years)
Churches built 1941 and after	1.33%	(75 years)
All Other Freehold Buildings	2%	(50 years)
Major Refurbishments or Repairs	4%	(25 years)
Motor Vehicles	20%	(5 years)
Fixtures, Fittings and Equipment	10% - 33⅓%	(3 to 10 years)
Freehold Property Additions	4%	(25 years)

Listed Investments

Investments are included in the balance sheet at their market value at the balance sheet date. Realised and unrealised gains and losses on investments are included in the Statement of Financial Activities in the year in which they arise. Investment income is credited to income on an accruals basis.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost except for investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

1. ACCOUNTING POLICIES (CONTINUED)

Investment Properties

Freehold investment properties owned by the Diocese are included in the balance sheet at their estimated market value at the balance sheet date. The valuation of investment properties is performed by an external professionally qualified valuer and valuations are in accordance with the RICS valuation – Global Standards 2017: UK national supplement. As these assets are recorded at market value no charge for depreciation is made in the accounts.

Realised and unrealised gains and losses on investment properties are included within the Statement of Financial Activities in the year in which they arise.

Fund Accounting

Funds held by the Charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.
- Designated funds – these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Permanent endowment funds – these funds represent those assets which must be held permanently by the Charity. Income arising on the endowment funds must be used in accordance with the terms of the endowment.

Cash

Cash includes cash in hand and deposits repayable on demand less overdrafts repayable on demand. Deposits are repayable on demand if they can be withdrawn at any time without notice and without penalty or if a maturity or period of notice of not more than 24 hours or one working day has been agreed.

Liquid resources represent bank and building society deposits where the period of notice exceeds 24 hours or one working day.

2. STATEMENT OF FINANCIAL ACTIVITIES (SOFA) FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds Curial £'000	Unrestricted Funds Parochial £'000	Restricted Funds Curial £'000	Restricted Funds Parochial £'000	Endowment Funds Curial £'000	Endowment Funds Parochial £'000	Total Funds Curial £'000	Total Funds Parochial £'000	**Total Funds 2020 £'000**	Total Funds 2019 £'000
Income and endowments from:											
Donations and legacies	3	74	4,490	270	-	-	-	344	4,490	**4,834**	6,569
Government Grants	4	18	243	-	-	-	-	18	243	**261**	-
Charitable activities	5	216	1,457	-	-	-	-	216	1,457	**1,673**	2,669
Other trading activities	6	-	6	-	-	-	-	-	6	**6**	156
Investments	7	196	210	44	8	-	-	240	218	**458**	448
Other		95	528	1	-	-	-	96	528	**624**	1,596
Total income and endowments:		599	6,934	315	8	-	-	914	6,942	**7,856**	11,438
Expenditure on:											
Raising Funds		34	-	-	-	-	-	34	-	**34**	33
Charitable activities	8	2,282	6,001	496	-	-	-	2,778	6,001	**8,779**	11,495
Total expenditure:		2,316	6,001	496	-	-	-	2,812	6,001	**8,813**	11,528
Net gains/(losses) on investments		334	215	36	4	21	7	391	226	**617**	1,351
Net income/(expenditure)		(1,383)	1,148	(145)	12	21	7	(1,507)	1,167	**(340)**	1,261
Transfers between funds	19	713	(1,038)	329	(4)	-	-	1,042	(1,042)	-	-
Net movement in funds		(670)	110	184	8	21	7	(465)	125	**(340)**	1,261
Total funds brought forward	2	13,393	27,607	4,570	744	636	211	18,599	28,562	**47,161**	45,900
Total funds carried forward		**12,723**	**27,717**	**4,754**	**752**	**657**	**218**	**18,134**	**28,687**	**46,821**	47,161

3. DONATIONS AND LEGACIES

	2021			2020		
	Curial	Parochial	Total	Curial	Parochial	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Offertory	3	3,847	**3,850**	2	3,628	3,630
Donations	73	1,017	**1,090**	165	857	1,022
Legacies	34	7	**41**	177	5	182
Total	110	4,871	**4,981**	344	4,490	4,834

4. INCOME FROM GOVERNMENT GRANTS

	2021			2020		
	Curial	Parochial	Total	Curial	Parochial	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Coronavirus Job Retention Scheme – HMRC Grant	26	114	**140**	17	243	260
School Condition Allocations (SCA) – DfE Grant	4	-	**4**	1	-	1
Total	30	114	**144**	18	243	261

5. INCOME FROM CHARITABLE ACTIVITIES

	2021			2020		
	Curial	Parochial	Total	Curial	Parochial	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fundraising, Grants Rec'd and Repository Sales	19	654	**673**	1	577	578
Educational Services	104	-	**104**	112	-	112
Training and Publications	44	-	**44**	28	-	28
Rental Income	80	1,025	**1,105**	43	859	902
Chaplaincy Services	-	65	**65**	-	21	21
Other	30	-	**30**	32	-	32
Total	277	1,744	**2,021**	216	1,457	1,673

6. INCOME FROM OTHER TRADING ACTIVITIES

	2021			2020		
	Curial	Parochial	Total	Curial	Parochial	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Social Club	-	-	-	-	6	6
Total	-	-	-	-	6	6

St Peter's Social Club in Gloucester ceased trading in 2020

7. INVESTMENT INCOME AND INTEREST RECEIVABLE

	2021			2020		
	Curial	Parochial	Total	Curial	Parochial	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Income on UK listed investments	216	56	**272**	212	51	263
Income on UK investment properties	28	37	**65**	21	37	58
Interest on UK cash held at bank	(9)	80	**71**	7	130	137
Total	235	173	**408**	240	218	458

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	2021			2020		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
FAITH AND EDUCATION						
Worship	101	6,136	**6,237**	158	5,998	6,156
Clergy Support	695	-	**695**	699	-	699
Pastoral	186	4	**190**	170	3	173
Chaplaincy	21	-	**21**	28	-	28
Education	627	-	**627**	(78)	-	(78)
Pilgrimages	1	-	**1**	8	-	8
Total	1,631	6,140	**7,771**	985	6,001	6,986
SUPPORT						
Bishop's Office	161	-	**161**	140	-	140
Governance	179	-	**179**	165	-	165
Finance	748	-	**748**	775	-	775
HR	45	-	**45**	34	-	34
Estate Management	553	-	**553**	494	-	494
Safeguarding	133	-	**133**	125	-	125
Communications	61	-	**61**	60	-	60
Total	1,880	-	**1,880**	1,793	-	1,793
TOTAL EXPENDITURE	3,511	6,140	**9,651**	2,778	6,001	8,779

9. EMPLOYEE COSTS

	2021			2020		
	Curial	Parochial	Total	Curial	Parochial	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Salaries	1,143	702	**1,845**	1,126	745	1,871
Pension	63	21	**84**	66	21	87
Life Insurance	6	-	**6**	6	-	6
Employer's NIC	111	17	**128**	110	16	126
Total Employee Costs	1,323	740	**2,063**	1,308	782	2,090

The average number of employees during the year was 144 (2020: 151).

No employees had emoluments, excluding pension contributions, within the band £60,000 - £70,000 (2020: Two).

One employee had emoluments, excluding pension contributions, within the band £70,000 - £80,000 (2020: One)

One employee had emoluments, excluding pension contributions, within the band £80,000 - £90,000 (2020: One)

The total remuneration for key management employees in 2021 was £472k (2020: £456k).

There were no termination payments for employees during 2021.

In 2020 there were eight termination payments for employees:

Redundancy	Payment In Lieu Of Notice	Total
£ 11k	£ 2k	£ 13k

Employee costs include £40k for holiday pay not taken during 2021 (£26k 2020).

None of the Trustees received remuneration for their work as Trustees in 2021 (2020: None). Expenses totalling £324 (2020: £83) were reimbursed to Trustees in respect of travel costs incurred.

The priests who are Trustees are housed and remunerated in their parishes and are reimbursed their expenses for carrying out their priestly duties in the same way as priests who are not Trustees. To assist him in the performance of his duties, the Bishop is provided with a house and his expenses, in carrying out his office as Bishop, are paid from Curial funds.

10. TANGIBLE FIXED ASSETS

	CURIAL					PAROCHIAL					DIOCESE
	Freehold Land	Freehold Buildings	Vehicles	Fixtures, Fittings and Equipment	Total	Freehold Land	Freehold Buildings	Vehicles	Fixtures, Fittings and Equipment	Total	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**
COST											
As at 1 January 2021	-	1,654	-	22	1,676	359	26,691	47	67	27,164	**28,840**
Additions	-	1,388	-	12	1,400	-	1,218	21	-	1,239	**2,639**
Disposals	-	-	-	-	-	-	(17)	(42)	-	(59)	**(59)**
As at 31 December 2021	-	3,042	-	34	3,076	359	27,892	26	67	28,344	**31,420**
DEPRECIATION											
As at 1 January 2021	-	581	-	20	601	-	12,825	47	67	12,939	**13,540**
Charge for the year	-	42	-	1	43	-	626	21	-	647	**690**
Disposals	-	-	-	-	-	-	(17)	(42)	-	(59)	**(59)**
As at 31 December 2021	-	623	-	21	644	-	13,434	26	67	13,527	**14,171**
NET BOOK VALUE											
As at 31 December 2021	-	**2,419**	-	**13**	**2,432**	**359**	**14,458**	-	-	**14,817**	**17,249**
As at 31 December 2020	-	1,073	-	2	1,075	359	13,866	-	-	14,225	15,300

All tangible fixed assets are used in the direct furtherance of the Charity's objectives.

One property included in freehold buildings is subject to a legal charge of £98,500 plus interest at 5% from 1981. This charge will not crystallise unless the property is sold. The property has been capitalised at deemed cost with a current net book value of £nil (2020: £nil). The Trustees consider that the market value of the property is substantially in excess of this amount.

11. FIXED ASSET INVESTMENTS

	2021			2020		
	Curial	Parochial	**Total**	Curial	Parochial	Total
	£'000	£'000	**£'000**	£'000	£'000	£'000
Listed Investments	11,529	2,860	**14,389**	10,851	2,318	13,169
UK Investment Properties	1,100	1,185	**2,285**	1,015	1,120	2,135
Total	**12,629**	**4,045**	**16,674**	11,866	3,438	15,304

Listed Investments – Common Investment Fund

	2021			2020		
	Curial	Parochial	**Total**	Curial	Parochial	Total
	£'000	£'000	**£'000**	£'000	£'000	£'000
Market Value brought forward	9,671	2,102	**11,773**	9,317	2,033	11,350
Additions at Cost	2,399	552	**2,951**	3,980	759	4,739
Fees	(55)	(14)	**(69)**	(47)	(11)	(58)
Sale Proceeds from Disposals	(2,755)	(309)	**(3,064)**	(3,774)	(716)	(4,490)
Realised Gain/(Loss)	163	38	**201**	(60)	(9)	(69)
Unrealised Gain/(Loss)	997	223	**1,220**	255	46	301
Market Value carried forward	10,420	2,592	**13,012**	9,671	2,102	11,773
Cash Held For Investment	1,109	268	**1,377**	1,180	216	1,396
	11,529	2,860	**14,389**	10,851	2,318	13,169
Book Cost carried forward	9,334	2,264	**11,598**	9,319	1,939	11,258

UK Investment Properties

Investment properties are included at their estimated open market valuation at the balance sheet date. The valuation is performed by an external professionally qualified valuer Carter Jonas - valuations are in accordance with the RICS valuation – Global Standards 2017: UK national supplement.

Movements in the investment properties held during the year were as follows:

	2021			2020		
	Curial £'000	Parochial £'000	**Total £'000**	Curial £'000	Parochial £'000	Total £'000
Valuation brought forward	1,015	1,120	**2,135**	879	940	1,819
Revaluation to estimated open market value	85	65	**150**	136	180	316
Valuation carried forward	1,100	1,185	**2.285**	1,015	1,120	2,135

Realised Gains / (Losses) on Fixed Asset Investments

	2021			2020		
	Curial £'000	Parochial £'000	**Total £'000**	Curial £'000	Parochial £'000	Total £'000
On Listed Investments	163	38	**201**	(60)	(9)	(69)
Total	163	38	**201**	(60)	(9)	(69)

Unrealised Gains / (Losses) on Fixed Asset Investments

	2021			2020		
	Curial £'000	Parochial £'000	**Total £'000**	Curial £'000	Parochial £'000	Total £'000
On Listed Investments	997	223	**1,220**	255	46	301
On UK Investment Properties	85	65	**150**	136	180	316
Total	1,082	288	**1,370**	391	226	617

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021			2020		
	Curial £'000	Parochial £'000	**Total £'000**	Curial £'000	Parochial £'000	Total £'000
Prepayments and Other Debtors	540	82	**622**	622	-	622
Income Tax Recoverable (Gift Aid)	66	0	**66**	172	-	172
Legacies	7	13	**20**	6	5	11
Total	613	95	**708**	800	5	805

Prepayments and other debtors include £7,275 (2020: £15,498) in respect of loans to priests to purchase cars, on which no interest is payable, and which are repayable within three years.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021			2020		
	Curial £'000	Parochial £'000	**Total £'000**	Curial £'000	Parochial £'000	Total £'000
Deferred income	-	-	-	11	-	11
School Projects Funding	1,163	-	**1,163**	1,424	-	1,424
Sundry creditors and accruals	774	200	**974**	352	83	435
Total	1,937	200	**2,137**	1,787	83	1,870

Loans falling due within one year are unsecured.

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

The following liabilities disclosed under creditors falling due after more than one year are unsecured.

	2021			2020		
	Curial £'000	Parochial £'000	**Total £'000**	Curial £'000	Parochial £'000	Total £'000
Grants Repayable	72	-	**72**	73	-	73
Proceeds of sale of school site payable	-	-	**-**	5,178	-	5,178
Sundry creditors and accruals	1	-	**1**	1	-	1
Loans	-	-	**-**	-	56	56
Total	73	-	**73**	5,252	56	5,308

15. ENDOWMENT FUNDS

The endowed funds are permanent endowments.

The balances on the main funds are as follows:

	Balance as at 1 January 2021	Income	Expenditure	Transfers	Gains & losses	Balance as at 31 December 2021
	£'000	£'000	£'000	£'000	£'000	£'000
CURIAL						
Bishop's Maintenance Fund	147	-	-	-	15	162
Clergy Training Fund	128	-	-	-	12	140
Clifton Mission Benefactors Fund	147	-	-	-	15	162
Heavens Fund	150	-	-	-	15	165
Young Fund	74	-	-	-	8	82
Poor Missions Fund	11	-	-	-	1	12
Total Curial	**657**	-	-	-	**66**	**723**
PAROCHIAL	£'000	£'000	£'000	£'000	£'000	£'000
Pro Cathedral Endowment	4	-	-	-	-	4
Hussey Endowment	4	-	-	-	-	4
Knight Endowment	8	-	-	-	1	9
Hensler Fund	18	-	-	-	2	20
Scoles Endowment	12	-	-	-	1	13
Patterson Endowment	4	-	-	-	-	4
Stapleton Brethren Endowment	14	-	-	-	2	16
Fairford Mission Endowment	16	-	-	-	2	18
Algar Endowment	9	-	-	-	1	10
Malmesbury Mission Endowment	15	-	-	-	2	17
Nelson Endowment	15	-	-	-	2	17
The Lady Herbert of Lea Fund	34	-	-	-	3	37
Carey Trust Endowment	15	-	-	-	2	17
Board Endowment	8	-	-	-	1	9
Barnes Trust Endowment	22	-	-	-	2	24
Lucy Sharp Fund	20	-	-	-	2	22
Total Parochial	**218**	-	-	-	**23**	**241**
Diocese Total	**875**	-	-	-	**89**	**964**

15. ENDOWMENT FUNDS (CONTINUED)

Comparative figures for 2020:

	Balance as at 1 January 2020	Income	Expenditure	Transfers	Gains & Losses	Balance as at 31 December 2020
	£'000	£'000	£'000	£'000	£'000	£'000
CURIAL						
Bishop's Maintenance Fund	142	-	-	-	5	147
Clergy Training Fund	124	-	-	-	4	128
Clifton Mission Benefactors Fund	142	-	-	-	5	147
Heavens Fund	146	-	-	-	4	150
Young Fund	72	-	-	-	2	74
Poor Missions Fund	10	-	-	-	1	11
Total Curial	**636**	-	-	-	**21**	**657**
PAROCHIAL	£'000	£'000	£'000	£'000	£'000	£'000
Pro Cathedral Endowment	4	-	-	-	-	4
Hussey Endowment	4	-	-	-	-	4
Knight Endowment	8	-	-	-	-	8
Hensler Fund	18	-	-	-	-	18
Scoles Endowment	12	-	-	-	-	12
Patterson Endowment	3	-	-	-	1	4
Stapleton Brethren Endowment	13	-	-	-	1	14
Fairford Mission Endowment	15	-	-	-	1	16
Algar Endowment	9	-	-	-	-	9
Malmesbury Mission Endowment	14	-	-	-	1	15
Nelson Endowment	14	-	-	-	1	15
The Lady Herbert of Lea Fund	33	-	-	-	1	34
Carey Trust Endowment	15	-	-	-	-	15
Board Endowment	8	-	-	-	-	8
Barnes Trust Endowment	21	-	-	-	1	22
Lucy Sharp Fund	20	-	-	-	-	20
Total Parochial	**211**	-	-	-	7	**218**
Diocese Total	**847**	-	-	-	**28**	**875**

15. ENDOWMENT FUNDS (CONTINUED)

Curial Endowments

Most of the endowments are for specific purposes as follows:

- The Bishop's Maintenance Fund is for the support and maintenance of the Bishop of Clifton and the Bishop's Office at St. Ambrose (which also serves as his residence)
- The Clergy Training Fund is for the training of clergy and vocational support
- The Clifton Mission Benefactors Fund is to say masses for certain individuals
- The Heavens Fund is the for the maintenance and education of Catholic orphan girls
- The Young Fund is to assist widows and distressed ladies
- The Poor Missions Fund is for the assistance of poor parishes of the Diocese

Parochial Endowments

Most of the endowments are for specific parishes as follows:

- Pro Cathedral – for the benefit of Clifton Cathedral, Bristol
- Hussey – for the benefit of the parish of St. John's, Bath
- Knight – for the benefit of the parish of Sacred Hearts, Westbury on Trym
- Hensler Fund - for the benefit of the Clifton Cathedral Parish, Bristol
- Scoles – for the benefit of the parishes of Chard, Crewkerne and Yeovil
- Patterson – for the benefit of the parish of Chipping Camden
- Stapleton Brethren – for the benefit of the parish of Chippenham
- Fairford Mission – for the benefit of the parish of Fairford
- Algar – for the benefit of the parish of Frome
- Malmesbury Mission – for the benefit of the parish of Malmesbury
- Nelson – for the benefit of the parish of Downton, Salisbury
- Lady Herbert of Lea Fund - for the benefit of St. Osmund's Parish, Salisbury
- Carey Trust – for the benefit of the parishes of Holy Rood, Swindon and St. George's, Taunton
- Board – for the benefit of the parish of St. George's, Taunton
- Barnes Trust - for the benefit of the Sacred Heart Parish, Tisbury
- Lucy Sharp Fund - for the benefit of the parishes of St. John's and St. Mary's in Bath, and St. Joseph's in Bridgwater

16. RESTRICTED FUNDS

	Balance as at 1 January 2021	Income	Expenditure	Transfers	Gains & (Losses)	Balance as at 31 December 2021
	£'000	£'000	£'000	£'000	£'000	£'000
CURIAL						
Bishop's Charitable Fund	84	-	-	(4)	-	80
Bishop's Support Fund	232	4	4	(20)	-	212
Priests' Retirement Fund	753	32	-	(98)	52	739
Clergy Welfare Fund	469	7		(101)	33	408
Clergy Training Fund	9	8	-	-	-	17
Youth Development Fund	12	-	-	-	-	12
Youth Bursary Fund	14	-	-	-	-	14
Christ's College Education Fund	1,485	-	-	(93)	-	1,392
St Joseph's Education Fund	-	5,178	-	-	-	5,178
Curial Restricted Legacies	644	-	-	(504)	-	140
Curial Trust Funds	781	14	-	(49)	27	773
Fundraising Appeals	20	-	-	-	-	20
Other Curial Funds	17	1	-	-	-	18
Restricted Fixed Assets Fund	234	-	7	-	-	227
Total Curial	**4,754**	**5,244**	**11**	**(869)**	**112**	**9,230**
PAROCHIAL						
Parsons Fund - Jesuit	185	-	-	-	-	185
Cathedral Fund	120	-	-	-	12	132
Other Parochial Funds	447	-	-	(93)	-	354
Total Parochial	**752**	-	-	**(93)**	**12**	**671**
Diocese Total	**5,506**	**5,244**	**11**	**(962)**	**124**	**9,901**

16. RESTRICTED FUNDS (CONTINUED)

Comparative figures for 2020:

	Balance as at 1 January 2020 £'000	Income £'000	Expenditure, gains/(losses) and transfers £'000	Balance as at 31 December 2020 £'000
CURIAL				
Bishop's Charitable Fund	112	-	(28)	84
Bishop's Support Fund	233	5	(6)	232
Priests' Retirement Fund	615	172	(34)	753
Clergy Welfare Fund	389	8	72	469
Clergy Training Fund	-	76	(67)	9
Youth Development Fund	12	-	-	12
Youth Bursary Fund	14	-	-	14
Christ's College Education Fund	1,485	-	-	1,485
Curial Restricted Legacies	662	-	(18)	644
Curial Trust Funds	785	28	(32)	781
Fundraising Appeals	20	-	-	20
Other Curial Funds	-	26	(9)	17
Restricted Fixed Assets Fund	243	-	(9)	234
Total Curial	**4,570**	**315**	**(131)**	**4,754**
PAROCHIAL				
Parsons Fund - Jesuit	181	3	1	185
Cathedral Fund	116	-	4	120
Other Parochial Funds	447	5	(5)	447
Total Parochial	**744**	**8**	**-**	**752**
Diocese Total	**5,314**	**323**	**(131)**	**5,506**

Restricted funds can only be used for a particular purpose.

The restrictions on the funds are as follows:

- Bishop's Charitable Trust – this fund is for charitable donations at the discretion of the Bishop
- The Bishop's Support Fund is for the maintenance of the Bishop's Office (which also serves as his residence)
- Priests' Retirement Fund – this fund supports retired priests and provides accommodation where necessary
- The Clergy Welfare Fund is for the relief of infirm, sick and aged Roman Catholic secular priests of the Diocese
- The Clergy Training Fund is for training purposes.

16. RESTRICTED FUNDS (CONTINUED)

- The Youth Development Fund is to be used for the young people of the Diocese
- The Youth Bursary Fund is for young people of the Diocese
- Christ's College Education fund is the proceeds from the sale of the college which are restricted for educational purposes
- Curial Restricted Legacies comprise several legacies donated for specific purposes
- Curial Trust Funds comprise of a small number of specific Trusts relating to individual parishes or parishioner groups
- Fundraising Appeals represent funds donated to support fundraising activities
- The restricted fixed assets fund represents funds donated to assist in the purchase of the Diocesan administrative offices in Bristol (Alexander House) as well as properties restricted for the use of retired priests
- Other Curial Funds comprise of special collections, legacies and donations for specific projects
- The Tisbury Parsons Fund is to be used for the benefit of the people, buildings and activities in the parish of Tisbury and Wardour. This fund is now closed.
- The Tisbury Jesuit Fund is to be used for the benefit of the people, buildings and activities in Tisbury and other similar rural parishes of the Diocese
- Cathedral Fund is for use specifically related to Clifton Cathedral
- Other Parochial Funds comprise of special collections, legacies and donations for specific projects within the parishes

17. DESIGNATED FUNDS

Designated Funds are unrestricted funds that have been designated by the Trustees for a specific purpose.

The fund designations are reviewed annually.

	Balance as at 1 January 2021	Income	Expenditure	Transfers	Gains & Losses	Balance as at 31 December 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed Assets Fund	15,066	-	675	2,631	-	17,022
Clergy Welfare Fund	71	-	-	(11)	-	60
Priests' Retirement Fund	1,514	20	-	-	93	1,627
St. Thomas More Secondary School	1,407	-	-	(116)	-	1,291
Christ's College Sponsorship Fund	750	-	-	-	-	750
Adult Education Fund	35	-	-	(34)	-	1
School Projects Reserve	44	4	-	(3)	-	45
School DFC Funding	678	-	-	(379)	-	299
Bristol Catholic Players	4	-	-	-	-	4
St. Bonaventure's Fund	296	-	-	-	-	296
Property Maintenance Fund	834		-	(107)	-	727
Sisters of the Temple	75	-	-	(50)	-	25
Total Designated Funds	**20,774**	**24**	**675**	**1,931**	**93**	**22,147**

17. DESIGNATED FUNDS (CONTINUED)

Comparative figures for 2020:

	Balance as at 1 January 2020 £'000	Income £'000	Expenditure, gains/(losses) and transfers £'000	Balance as at 31 December 2020 £'000
Fixed Assets Fund	15,555	-	(489)	15,066
Clergy Welfare Fund	53	-	18	71
Priests' Retirement Fund	876	21	617	1,514
St. Thomas More Secondary School	1,407	-	-	1,407
Christ's College Sponsorship Fund	750	-	-	750
Adult Education Fund	34	1	-	35
School Projects Reserve	31	13	-	44
School DFC Funding	538	-	140	678
Bristol Catholic Players	4	-	-	4
St. Bonaventure's Fund	291	-	5	296
Property Maintenance Fund	866	-	(32)	834
St John's Primary Bath ISG Funds	39	-	(39)	-
Sisters of the Temple	-	-	75	75
Total Designated Funds	**20,444**	**35**	**295**	**20,774**

The funds have been designated for the following purposes:

- The Fixed Asset Fund represents the net book value of tangible fixed assets less the net book value of tangible fixed assets included in restricted funds
- The Clergy Welfare Fund supports the medical and welfare costs for sick priests and those requiring nursing care
- The Priests' Retirement Fund is a fund to support priests currently in retirement
- The St Thomas More Secondary School fund represents the proceeds of sale of the school site which are designated for the purposes of future schools' building projects
- Christ's College Sponsorship Fund represents funds held to sponsor a shared faith school
- Adult Education Fund represents grants received for formation and spiritual direction
- School Projects Reserve represents funds set aside to support school capital projects
- School DFC Funding represents funds held on behalf of voluntary-aided schools for capital works
- Bristol Catholic Players represents funds held on behalf of a connected charity
- St. Bonaventure's Fund is for a liability on the property that will only be realised once the property is sold
- The Property Maintenance Fund is for planned maintenance on Diocese buildings
- Sisters of the Temple Fund for maintenance on Diocese buildings.

18. GENERAL UNRESTRICTED FUNDS (EXCLUDING DESIGNATED FUNDS)

	Balance as at 1 January 2021	Movement during 2021	Balance as at 31 December 2021
	£'000	£'000	£'000
General Curial Funds	6,469	(551)	5,918
General Parochial Funds	13,197	939	14,136
Total Unrestricted Funds	**19,666**	**388**	**20,054**

19. TRANSFERS BETWEEN CURIAL AND PAROCHIAL FUNDS

	Curial	Parochial	**Total 2021**
	£'000	£'000	**£'000**
Parish Share	1,541	(1,541)	-
Other transfers	(167)	167	-
Total	1,374	(1,374)	-

The Parish Share is a contribution from the parishes towards the costs of running the central activities of the Diocese, to support the collective pastoral and legal functions. It is assessed on the basis of parish income.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Endowments	Restricted	Designated	Unrestricted	**Total Funds**
	£'000	£'000	£'000	£'000	**£'000**
Tangible Fixed Assets	-	227	17,022	-	**17,249**
Fixed Asset Investments	946	1,337	998	13,393	**16,674**
Net Current Assets	18	8,337	4,200	6,661	**19,216**
Long Term Liabilities	-	-	(73)	-	**(73)**
Total	964	9,901	22,147	20,054	53,066

Comparative figures for 2020:

	Endowments £'000	Restricted £'000	Designated £'000	Unrestricted £'000	Total Funds £'000
Tangible Fixed Assets	-	234	15,066	-	**15,300**
Fixed Asset Investments	857	1,213	905	12,329	**15,304**
Net Current Assets	18	9,238	4,932	7,337	**21,525**
Long Term Liabilities	-	(5,179)	(129)	-	**(5,308)**
Total	875	5,506	20,774	19,666	**46,821**

21. NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £'000	2020 £'000
Net (expenditure)/income for the reporting period	6,245	(340)
Adjustments for:		
Depreciation charges	690	807
(Gains) on investments	(1,370)	(617)
Dividends, interest and rents from investments	(408)	(458)
(Profit) on the sale of fixed assets	(789)	(10)
(Increase)/decrease in debtors	97	(272)
Increase/(decrease) in creditors	(4,968)	628
Net cash (used in) operating activities	(503)	(262)

Reconciliation of net cash flow to movement in net funds

	2021 £'000	2020 £'000
(Decrease)/increase in cash in the year	(1,945)	(1,277)
Cash inflow from repayment of loan	-	-
New loans received	-	-
(Decrease)/increase in net funds in the year	(1,945)	(1,277)
Net funds brought forward	22,590	23,867
	20,645	**22,590**

21. NOTES TO THE CASH FLOW STATEMENT (CONTINUED)

(b) Analysis of changes in net funds

	As at 1 January 2021 £'000	Cash Flow in Year £'000	As at 31 December 2021 £'000
Short-Term Deposits	17,657	(1,874)	15,783
Cash at bank and in hand	4,933	(71)	4,862
Net cash at bank and short-term deposits	22,590	(1,945)	20,645
Loans due for repayment within one year	-	-	-
Net funds carried forward	22,590	(1,945)	20,645

Cash at bank and in hand is held in a group bank account together with short-term deposits.

Short-term deposits on more than one day's notice are treated as liquid resources.

The charity has no debt in both current year 2021 or prior year 2020.

22. CAPITAL COMMITMENTS

	2021 £'000	2020 £'000
Capital Commitments	1,337	-

The charity has two capital commitments at 31st December 2021, Clifton Chaplaincy refurbishment and St Bernadette's new roof.

23. RELATED PARTY TRANSACTIONS

The charity has had no related party transactions in either the current or prior year.