



CLIFTON DIOCESE

A Company Limited by Guarantee: Registered No. 10462076

ANNUAL REPORT and FINANCIAL STATEMENTS

for the year ended

31st DECEMBER 2018

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
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Bristol
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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, 1 joint faith academy, 2 special schools and 6 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 173,447 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.

TRUSTEES' REPORT

Mass Attendance and Sacraments

	2018
Baptisms	1,443
Received into the Church	64
First Holy Communions	1,616
Confirmation	598
Sunday Mass attendance	28,460

There are 85 active priests (Diocesan and Religious) within the Diocese who lead the parish communities, supported by 52 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 is 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. Our pastoral guidelines 'A Future Full of Hope' provide opportunities to appreciate the importance and priority of ongoing formation. With this in mind, the department for Adult Education and Evangelisation organises various training events and provides resources to assist and support both the priests and laity in the Diocese.

Other activities facilitated by Diocesan officers include programmes for young people and the provision of conferences, courses and retreats which support the development of the mission of the Church within the parishes.

Care is provided to the elderly, the housebound and those in hospital and in prison. The Marriage & Family Life resources have been developed to support family life in the face of the pressures of societal change.

Parishes continue to reach out to their local communities through work in food banks, soup runs and support groups for the elderly. This work is often done in collaboration with other faith groups or local charities. Parish properties are frequently made available as a base for local community groups and pre-schools to operate from and several parishes are also utilising vacant parish properties to home refugee families.

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 61 secular priests and 24 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 52 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. Each deanery has a pastoral council presided over by a dean and containing representatives of each member parish. In turn, each deanery pastoral council is represented on the Diocesan Pastoral Council.

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, 8 Catholic secondary schools and a sixth form college, 2 independent special schools and 6 other independent schools within the Diocese. One of the secondary schools is currently operated jointly with the Church of England. Over 23,360 pupils are educated in our schools and whilst priority is given to Catholic applicants approximately 46% of pupils are drawn from outside the Catholic community.

The schools sometimes provide education in challenging circumstances to very diverse communities and the Diocesan Department for Schools and Colleges works closely with the relevant Local Authorities, the Regional Schools Commissioner and OFSTED to ensure that high quality education is delivered whilst maintaining the Catholic ethos of the schools.

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.

RISK MANAGEMENT

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 legislation including Data Protection and Health & Safety
- Safeguarding of children and of vulnerable adults
- Resource constraints
- Communications, including the handling of major issues
- Recruitment of Catholic leaders in schools

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 e.g. 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.

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 e.g. 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 161 employees, assets of £45.9m and income of £10.8m. 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 15 Trustees of which the Bishop is the Chairman. The 7 clerical Trustees are appointed for their expertise in parochial, spiritual, pastoral and canonical expertise. The 8 lay Trustees are selected for their wide-ranging business and educational expertise. Additional Trustees would be appointed if it was perceived that there was a significant skill or knowledge gap on the board. 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.

Following publication of the Charity Governance Code 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 in the Code. The Trustees have adopted the Code and aspire to meet all requirements. Therefore, to support the achievement of this an action plan is being developed.

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

TRUSTEES' REPORT

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. Deacon Paul White
Mr Stephen McNulty
Ms Ruth FitzJohn
Mrs Margaret Young
Mrs Catherine Hipkiss
Dr Timothy Coyle
Mr Michael Setter
Mrs Michelle Morgan
Dr Michael Thompson

Secretary to the Trustees:

Mrs Andrea Barrett

Private Secretary to the Bishop:

Miss Alessia Dini

SUB-COMMITTEES

The members of the eight 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) (Appointed 05/09/2018)

This committee is made up of a minimum of a Trustee (Moderator of the Curia) and 1 lay member. The Chief Operating Officer and Diocesan Financial Administrator as well as the lead partner from our Auditors are in attendance. They meet twice per year.

The Investment Committee:

Ms Fiona Macpherson (Chair)

Rev. Mgr. Canon Bernard Massey VG (T)

Dr Timothy Coyle (T)

Mr John Rodgers

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 Smith & Williamson. The Chief Operating Officer and Diocesan Financial Administrator 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 (Chair) (T)

Rev. Canon Alan Finley

Rev. Canon Bosco MacDonald

Rev. Mgr. Canon Richard Twomey

Rev. Deacon Trevor Jones

Rev. Colin Mason

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 Financial Administrator are in attendance.

The Property Committee:

Rev. David Mills (T) (Chair)

Rev. Mgr. Canon Bernard Massey VG (T)

Rev. Deacon Paul White (T)

Mr Stephen McNulty (T)

Mr Michael Setter (T)

This committee is made up of Trustees with the Diocesan Surveyor, Chief Operating Officer and the Diocesan Financial Administrator in attendance. Its role is to look at all property related issues in parishes and to give approval for small works (up to £250k) 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 Diocesan Surveyor and the Diocesan Financial Administrator 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. David Mills (T)
Mrs Catherine Hipkiss (T)

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 employee related issues in the Diocese. It is chaired by the Bishop with the Chief Operating Officer and the HR Advisor in attendance.

The Finance Committee:

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

This committee is composed of 3 Trustees plus 1 other financial expert with the Chief Operating Officer and the Diocesan Financial Administrator in attendance. Its role is to look at all finance related issues in parishes and to give approval for expenditure (up to £250k) 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 has a further delegated responsibility per a schedule approved by Trustees.

The Risk Committee:

Mrs Margaret Young (T) (Chair)
Rev. Mgr. Canon Bernard Massey VG (T)
Ms Ruth FitzJohn (T)
Rev. Canon John Cunningham (T) (appointed 19/04/2017)

This committee is composed of 4 Trustees and the Chief Operating Officer in attendance.

The Health and Safety Committee:

Rev. David Mills (T) (Chair)
Rev. Mgr. Canon Bernard Massey VG (T)
Mrs Margaret Young (T)
Rev. Deacon Paul White (T)

This committee is composed of 4 Trustees with the Chief Operating Officer, the Diocesan Surveyor, the Diocesan Financial Administrator and the Health and Safety Co-ordinator in attendance.

As well as these committees, there are several other bodies that report indirectly to the board.

Safeguarding Commission

This has 3 priests, 1 deacon and 7 lay members with extensive experience in the whole area of safeguarding. The Safeguarding Co-ordinator is in attendance. It gives advice to the Bishop and Board of Trustees on all aspects of safeguarding within the Diocese.

Clifton Catholic Diocesan Education Foundation

This is a company limited by guarantee and the Board of Directors is formed from experienced educationalists from across the Diocese. The work is supported by director led sub-groups and informed by regional partnership groups of schools. It deals with all aspects of education from 4 - 19 years. The Director of the School and Colleges Department presents a report to every Trustees meeting.

Council of Priests

The priests in this body meet at least twice per year to advise and discuss with the Bishop on a variety of pastoral issues that are relevant to the Diocese.

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 3 times per year 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 two 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.

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 Diocesan events such as the Diocesan Pastoral Council.

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

The Curia is comprised of six 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

Mr Liam Ring – Safeguarding Coordinator

Miss Janet Parker – Diocesan Financial Administrator, Head of Finance Department

Mr Derek Salmon – Diocesan Surveyor, Head of Property Department

Rev. Christopher Whitehead – Director of Adult Education and Evangelisation (moved to Parish Priest role December 2018)

Miss Sarah Adams – Director of Adult Education and Evangelisation (appointed February 2019)

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 department works with the Director of Adult Education to ensure that there is a comprehensive range of training and formation opportunities presented to the laity and the clergy of the Diocese. Youth work is undertaken by a central Youth Co-ordinator who helps to stimulate and co-ordinate a wide range of youth activities around the Diocese, including the organisation of the Biennial World Youth Day which takes place around the globe. Liturgical matters are also an important part of this department's work.

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 the parish buildings as well as issues relating to school property and land. This department is also responsible for co-ordinating Health & Safety throughout the Diocese.

Schools 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.

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

TRUSTEES' REPORT

parish shares and deals with all aspects of Gift Aided donations and salaries for the individual parishes and their staff.

Safeguarding

This department is responsible for training and managing all aspects of safeguarding throughout the Diocese.

Communications

The Communications Officer works closely with the Bishop, the Curia and parishes to ensure Diocesan communications are effective and support the work of the Diocese.

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

Many volunteers help in all areas of the work of the Diocesan Trust. Without their assistance, our parishes could not function. The Trustees, parish clergy and our employees are most grateful to them for giving so much time and effort to us. Certain volunteers such as treasurers, school governors and parish safeguarding representatives are required to attend training courses 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.
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
Clifton Diocesan Trust	1170168-7

The following charities have not been activated:

St Francis of Assisi Roman Catholic Church, Nailsea	1170168-5
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There is also a separate related charity, Clifton Education Trust, registered no. 313215 which is not included in these accounts.

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.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are 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 auditors are aware of that information.

STRATEGIC REPORT

ACTIVITIES AND ACHIEVEMENTS DURING THE YEAR

The Diocese's key objectives to enhance the work and support the strategy of the Diocese in 2018 continued to focus on:

- Ongoing maintenance and improvement of places of worship and parish facilities
- Providing the resources to recruit, train and form priests and provide on-going formation throughout their ministry
- Adult Education & Formation for all the people of the Diocese to give them the opportunity to understand the Church's teaching fully and to contribute to the mission of the diocese
- Ongoing development of youth programmes
- Supporting Diocesan schools in the ever-changing educational landscape and encouraging them to work together collaboratively in view of the ongoing reduction in support in shared services available from local authorities
- Provision of training to support the development of Catholic teachers to create a pool of high-quality talent in order to address the issue of lack of Catholic head teachers and deputy head teachers in Diocesan schools

'A Future Full of Hope' Pastoral Guidelines

Following the successful launch of the new pastoral guidelines in the Autumn 2017, 2018 focused on the Year of Mission. Parishes throughout the Diocese reflected on how to become more actively effective in the mission of the Church, especially in the support of poor and those on the peripheries of society.

To support this objective, a number of parishes have utilised empty presbyteries to provide accommodation for refuge families. Also, parishioners from the Cathedral parish set up a project to join the Home Office Refugee Community Sponsorship Scheme and approval of the application for the Diocese to be a lead sponsor was received in August 2018.

The Year of Prayer during 2019 will complement the Year of Mission by helping to deepen the understanding that it is prayer which gives life and strength to our mission as a Church.

Clergy Support

There are seven seminarians in formation, with six based at St John's Seminary, Womersley and one at St Mary's College, Oscott. There is one ordination to the Priesthood planned for September 2019.

There was also one ordination to the Permanent Diaconate in October 2018 and currently there are six students in formation.

Throughout the year seven Diocesan priests celebrated their ordination jubilees, with one priest celebrating his Platinum Jubilee of seventy years as a priest.

Education

Recruitment of Catholic leadership in schools continues to be a key focus and to support this the department facilitates the Aspiring Leaders course. Ten individuals successfully completed the programme during 2018 and a further ten students have enrolled in 2019.

School partnerships with the Diocesan school hub structure have started to work together more effectively, with closer collaboration on key matters such as shared services, training and teaching support. This ongoing collaboration remains important for securing the future of Catholic education within the Diocese.

Pastoral and Formation Activities

In order to support the Diocesan objective of providing opportunities for individuals to grow in their understanding of the Church's teachings, the Adult Education and Evangelisation department facilitated the annual Diocesan Day in July 2018. Over four hundred people attended the event which consisted of a keynote speaker, various workshops, a plenary session to reflect on what had been learnt during the day, and the celebration of Mass with Bishop Declan.

Diocesan pilgrimages during the year included the annual visit to the Shrine of Our Lady in Glastonbury, where over one thousand pilgrims gathered to celebrate Mass. Eighty pilgrims also made the journey to Lourdes for this annual trip and during October 2018 over fifty pilgrims travelled to the Holy Land for a nine-day pilgrimage to Bethlehem, Galilee and Jerusalem.

Property

Phase three of the ongoing maintenance and repairs of Clifton Cathedral was completed in Spring 2018, with the majority of the work being funded by a £700,000 grant from the World War 1 Cathedral fund. Following these enhancements, the Cathedral facilities have been used to host various events for the Diocese, as well as for the wider community. These include the Clifton International Festival of Music.

Work was also completed during the summer of 2018 on the extension of St Patrick's Church in Redfield, with the extended Church now having the capacity to accommodate over five hundred parishioners.

Two major property repair and refurbishment projects were approved during the year. A full programme of repairs and maintenance will be undertaken at Holy Cross Church in Bedminster, which will enable the Church to be re-opened for use by the Parish. The Catholic Chaplaincy for the Universities of Bristol will also undergo a programme of refurbishment which will result in the provision of residential facilities for up to fourteen students.

Consideration is also being given to the provision of a new Church building for St. Mary's in Swindon. Proposals for the design of the Church have been prepared and options for the funding of the new building are currently being investigated by the Parish with support from the Diocesan Trust & Grant Applications Officer.

Other Activities

Following the successful rollout of Microsoft Office 365 to the Curia and all parishes, the software has now been rolled out to over three hundred key volunteer roles in order to assist with the handling of personal data to ensure compliance with Data Protection Legislation.

The Diocesan website infrastructure is now being utilised to host and support parish websites, with over ten parishes migrating to the new system during the year. A further twelve parishes are scheduled to transfer during 2019.

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

- Continue to build on the work undertaken by the Director of Vocations to bring forward candidates for the priesthood
- Support the implementation of the updated Diocesan School Strategy, following the review undertaken in March 2019 where all schools need to be part of a Multi-Academy Trust or Academy-ready by 2021
- Ongoing development of an Executive Leadership programme to support Head teachers who have the responsibility and oversight of more than one school
- Maintain effective communication between the Curial offices and parishes, so that parishes are aware of the support and services available to them
- Continued development of plans to enhance parish facilities and maximise the benefits from property assets of the Diocese
- Ongoing provision of information as required by the Independent Enquiry into Child Sexual Abuse

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Financial Statements have been prepared in accordance with the principles contained in the Statement of Recommended Practice – 'Accounting and Reporting by Charities' 2015 (SORP 2015) 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 as the Trustees consider that no meaningful value can be attributed to these assets, since they are not used directly by the Charitable Company, 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 all parishes and religious orders towards the running costs of the Diocesan Curia.

Total Curial income was lower in 2018 at £2,158k compared to £2,478k in 2017, due to lower investment, donations and legacies income. There was a loss on fixed asset investments of £609k compared to the increase generated in 2017 of £832k, with the portfolio generating investment income of £307k (2017: £604k).

Total Curial expenditure was £3,694k (2017: £3,571k).

Overall, Curial Funds decreased in the year by £1,549k (2017: increase of £652k).

Total Curial Funds at 31 December 2018 were £18,479k (2017: £20,028k) of which £13,273k (2017: £14,577k) were unrestricted. Total Curial Funds include £868k (2017: £739k) net balances due from parishes.

Parochial Funds

The unrestricted offertory, donations and legacies income for the year was £6,054k (2017: £7,479k). Income from charitable activities, including fundraising income, was £1,991k (2017: £1,954k). There was a loss on fixed asset investments of £157k (2017: £15k gain).

The charitable expenditure by the parishes was lower in 2018 at £7.8m (2017: £8m).

Overall Parish Funds increased in the year by £79k (2017: £1,186k).

Total Parish Funds at 31 December 2018 amounted to £27,421k (2017: £27,342k) of which £26,542k (2017: £26,471k) was unrestricted. Freehold land and buildings account for £15,365k (2017: £14,904k) of total Parish Funds.

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 Smith & Williamson 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 fell in value overall during the year in line with the general markets. The Trustees remain confident that the performance demanded by the investment policy will continue to be achieved in the longer term although the markets are expected to be volatile.

The Investment Committee continues to invest Diocesan funds in accordance with an ethical policy which was amended in 2014 to specifically exclude investments in companies which receive more than 10% (as a de minimis value) of their revenues from:

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

A full review of the ethical policy is currently being undertaken by the Investment Committee which will be submitted to the Trustees for consideration.

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:

	2018	2017
	£'000	£'000
Total Funds	45,900	47,370
Less: Permanent Endowment Funds	(737)	(816)
Restricted Funds	(5,347)	(5,506)
Designated Funds	(5,024)	(4,987)
Tangible Fixed Assets	(16,120)	(15,951)
Free Reserves of the Charity	18,672	20,110

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

STRATEGIC REPORT

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.

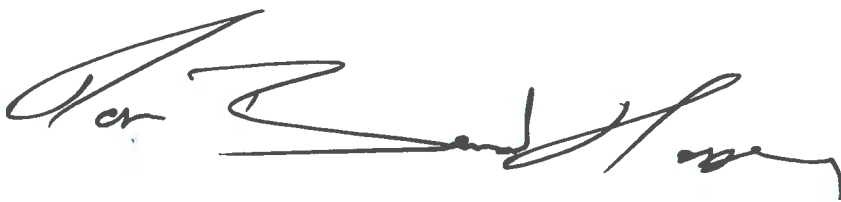
In the light of the long-term characteristics of the expenditure plans the Trustees consider that the Charitable Company should maintain free reserves of at least 24 months recurring unrestricted expenditure. In 2018 the Trustees also decreed that the total free reserves should never fall below a minimum requirement of £11m, and that this minimum requirement should be reviewed annually.

Free reserves have decreased by £1,438k during the year. The free reserves represent 22 months of recurring unrestricted expenditure (2017: 24 months).

The drop in free reserves in 2018 is mainly due to the drop in the value of investments, along with additional funds being designated by the Trustees for significant projects that will take place over the next two to three years.

The parochial free reserves form £10.9m (2017: £11.3m) of the total £18.7m (2017: £20.1m). It should also be noted that whilst the balance sheet shows "cash at bank and short-term deposits" of £23.6m (2017: £24.98m), this balance includes sale proceeds of £5.7m (2017: £5.7m) held for future schools building projects and other funds held for restricted purposes.

The Trustees' Report, which incorporates the Strategic Report, was approved by the Trustees on the 5th September 2019 and signed on their behalf by:



Rev. Mgr. Canon Bernard Massey VG
Moderator of the Curia
(Vice Chair)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CLIFTON DIOCESAN TRUST FOR THE YEAR ENDED 31 DECEMBER 2018

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 2018 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 2018 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement [set out on page ..., 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,

AUDITOR'S REPORT

they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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' Annual 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' Annual 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' Annual Report (which incorporates the strategic report and the directors' report).

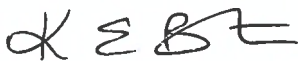
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

AUDITOR'S REPORT

- 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.

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.



Kathryn Burton (Senior Statutory Auditor)

For and on behalf of Haymacintyre LLP,
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

16th September 2019

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

STATEMENT OF FINANCIAL ACTIVITIES (SOFA) FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted Funds		Restricted Funds		Endowment Funds		Total Funds Curial	Total Funds Parochial	Total Funds	Total Funds 2018	Total Funds 2017
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and endowments from:												
Donations and legacies	3	226	6,054	-	-	-	226	6,054	6,280	8,675	6,280	8,675
Charitable activities	4	959	1,291	-	700	-	959	1,991	2,950	2,709	2,950	2,709
Other trading activities	5	-	148	-	-	-	-	148	148	131	148	131
Investments	6	284	228	-	-	-	284	228	512	663	512	663
Other		689	238	-	-	-	689	238	927	383	927	383
Total income and endowments:		2,158	7,959	-	700	-	2,158	8,659	10,817	12,561	10,817	12,561
Expenditure on:												
Raising Funds		13	-	-	-	-	13	-	13	14	13	14
Charitable activities	7	3,680	7,128	-	700	1	3,681	7,828	11,509	11,556	11,509	11,556
Other		-	-	-	-	-	-	-	-	-	-	-
Total expenditure:		3,693	7,128	-	700	1	3,694	7,828	11,522	11,570	11,522	11,570
Net gains/(losses) on investments		(483)	(132)	(80)	(9)	(47)	(609)	(157)	(766)	847	(766)	847
Net income/(expenditure)		(2,017)	698	(80)	(9)	(48)	(2,145)	674	(1,471)	1,838	(1,471)	1,838
Transfers between funds	18	714	(627)	(119)	48	1	595	(595)	-	-	-	-
Net movement in funds		(1,303)	71	(199)	39	(47)	(1,550)	79	(1,471)	1,838	(1,471)	1,838
Reconciliation of funds:												
Total funds brought forward	2	14,577	26,471	4,850	656	601	20,028	27,342	47,370	45,532	47,370	45,532
Total funds carried forward		13,274	26,542	4,651	695	554	18,479	27,420	45,899	47,370	45,899	47,370

The net movement in funds shown above arises entirely from continuing activities. Comparative figures for 2017 by fund can be found in note 2.

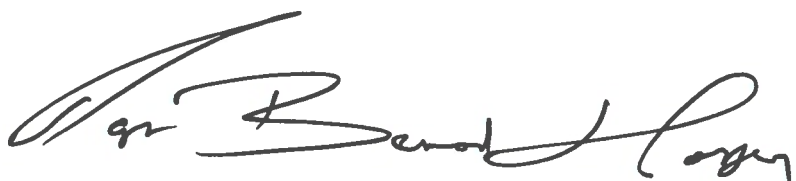
Total funds brought forward relate to a transfer in from the unincorporated company Clifton Diocesan Trust.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

BALANCE SHEET AS AT 31 DECEMBER 2018 Company No. 10462076

	Notes	2018			2017		
		Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
FIXED ASSETS							
Tangible fixed assets	9	1,005	15,363	16,368	1,337	14,904	16,241
Investments	10	9,480	2,681	12,161	9,790	2,488	12,278
		<u>10,485</u>	<u>18,044</u>	<u>28,529</u>	<u>11,127</u>	<u>17,392</u>	<u>28,519</u>
CURRENT ASSETS							
Debtors	11	571	4	575	911	50	961
Cash at bank and in hand		13,187	10,411	23,598	14,161	10,815	24,976
		<u>13,758</u>	<u>10,415</u>	<u>24,173</u>	<u>15,072</u>	<u>10,865</u>	<u>25,937</u>
CREDITORS:							
Amounts falling due within one year	12	(867)	(113)	(980)	(1,144)	(41)	(1,185)
Curia: amounts due from parishes within one year		(32)	-	(32)	3	-	3
Parishes: amounts due from curia within one year		-	32	32	-	(3)	(3)
Parish loans		70	(70)	-	69	(69)	-
NET CURRENT ASSETS		<u>12,939</u>	<u>10,264</u>	<u>23,193</u>	<u>14,000</u>	<u>10,752</u>	<u>24,752</u>
TOTAL ASSETS LESS CURRENT LIABILITIES							
		<u>23,414</u>	<u>28,308</u>	<u>51,722</u>	<u>25,127</u>	<u>28,144</u>	<u>53,271</u>
Creditors: amounts falling due after more than one year	13	(5,765)	(57)	(5,822)	(5,766)	(135)	(5,901)
Parish loans		830	(830)	-	667	(667)	-
NET ASSETS		<u>18,479</u>	<u>27,421</u>	<u>45,900</u>	<u>20,028</u>	<u>27,342</u>	<u>47,370</u>
FUNDS							
	Notes	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
RESTRICTED FUNDS							
Permanent endowment funds	14	554	183	737	601	215	816
Restricted income funds	15	4,651	696	5,347	4,850	655	5,505
		<u>5,205</u>	<u>879</u>	<u>6,084</u>	<u>5,451</u>	<u>870</u>	<u>6,321</u>
UNRESTRICTED FUNDS							
Designated funds	16	5,493	15,651	21,144	5,753	15,186	20,939
General fund	17	7,781	10,891	18,672	8,824	11,286	20,110
		<u>13,274</u>	<u>26,542</u>	<u>39,816</u>	<u>14,577</u>	<u>26,472</u>	<u>41,049</u>
TOTAL FUNDS		<u>18,479</u>	<u>27,421</u>	<u>45,900</u>	<u>20,028</u>	<u>27,342</u>	<u>47,370</u>

The balance sheet was approved by the Board of Trustees on the 5th September 2019 and signed on their behalf by the Vice Chairman Rev. Mgr. Canon Bernard Massey VG:



4/9/19.

Rev. Mgr. Canon Bernard Massey VG
Moderator of the Curia
(Vice Chair)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £'000	2017 £'000
Cash flow from operating activities:			
<i>Net cash provided by (used in) operating activities:</i>	20	(437)	449
Cash flows from investing activities:			
Dividends, interest and rents from investments	6	512	555
Purchase of property, plant and equipment	9	(1,052)	(712)
Proceeds from the sale of investments	10	2,531	2,445
Purchase of investments	10	(2,881)	(2,056)
<i>Net cash provided by (used in) investing activities:</i>		<u>(890)</u>	<u>232</u>
Cash flows from financing activities:			
Repayments of borrowing		(51)	-
Cash inflows from new borrowing		-	108
Receipt of endowment		-	-
<i>Net cash provided by (used in) financing activities:</i>		<u>(51)</u>	<u>108</u>
Change in cash and cash equivalents in the reporting period:		(1,378)	789
Cash and cash equivalents at the beginning of the reporting period:		24,976	24,187
<i>Cash and cash equivalents at the end of the reporting period:</i>		<u>23,598</u>	<u>24,976</u>

The notes on pages 27 to 50 form an integral part of these financial statements.

NOTES TO THE 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 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015 and the Companies

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.

Comparative Figures for 2017

Due to the incorporation of Clifton Diocese on 1 January 2018, prior year figures are not available. However, notional figures for 2017 are shown for Clifton Catholic Diocesan Trustees Registered.

Going concern

The Trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

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.

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.

Social Clubs' expenditure includes salaries, direct expenditure and overhead costs of running the Charity's proprietary social clubs.

Grants and donations are payments the charity makes voluntarily to other institutions or individuals in order 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 particular 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.

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

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (CONTINUED)

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 and 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 of Education and Skills 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 of Education and Skills 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 purposes 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.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (CONTINUED)

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 45 (2017: 45) maintained schools, 18 Academies (2017: 18), 2 special schools (2017: 2) and 6 independent schools (2017: 6). 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 Clubs 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.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (CONTINUED)

The insured value of buildings' contents not capitalised is £24 million (2017: £23.8 million).

(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% - 33 $\frac{1}{3}$ %	(3 to 10 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 with the exception of 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.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (CONTINUED)

Investment Properties

Investment properties are included in the balance sheet at their estimated market value at the balance sheet date. The valuation of investment properties is performed annually by the Trustees. 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.

NOTES TO THE FINANCIAL STATEMENTS

2. STATEMENT OF FINANCIAL ACTIVITIES (SOFA) FOR THE YEAR ENDED 31 DECEMBER 2017

Notes	Unrestricted Funds		Restricted Funds		Endowment Funds		Total Funds Curial £'000	Total Funds Parochial £'000	Total Funds 2017 £'000	Total Funds 2016 £'000
	Curial £'000	Parochial £'000	Curial £'000	Parochial £'000	Curial £'000	Parochial £'000				
Income and endowments from:										
3	1,076	6,694	120	785	-	-	1,196	7,479	8,675	6,175
4	755	1,954	-	-	-	-	755	1,954	2,709	2,731
5	-	131	-	-	-	-	-	131	131	127
6	494	169	-	-	-	-	494	169	663	633
	33	350	-	-	-	-	33	350	383	933
	2,358	9,298	120	785	-	-	2,478	10,083	12,561	10,599
Total income and endowments:										
Expenditure on:										
	14	-	-	-	-	-	14	-	14	19
7	3,556	7,604	-	396	1	-	3,556	8,000	11,556	10,284
	-	-	-	-	-	-	-	-	-	-
	3,570	7,604	-	396	1	-	3,570	8,000	11,570	10,303
	695	(128)	87	109	51	34	832	15	847	1,070
	(517)	1,566	207	498	50	34	(260)	2,098	1,838	1,366
	944	(664)	12	(230)	(44)	(18)	912	(912)	-	-
18	427	902	219	268	6	16	652	1,186	1,838	1,366
	14,150	25,570	4,631	387	595	199	19,376	26,156	45,532	44,166
2	14,150	25,570	4,631	387	595	199	19,376	26,156	45,532	44,166
	14,577	26,472	4,850	655	601	215	20,028	27,342	47,370	45,532
	14,577	26,472	4,850	655	601	215	20,028	27,342	47,370	45,532
	14,577	26,472	4,850	655	601	215	20,028	27,342	47,370	45,532

NOTES TO THE FINANCIAL STATEMENTS

3. DONATIONS AND LEGACIES

	2018			2017		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Offertory	3	4,507	4,510	2	4,759	4,761
Donations	178	1,333	1,511	1,013	1,636	2,649
Legacies	45	214	259	181	1,084	1,265
Total	226	6,054	6,280	1,196	7,479	8,675

4. INCOME FROM CHARITABLE ACTIVITIES

	2018			2017		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Grants Received	669	15	684	421	11	432
Fundraising	54	526	580	44	552	596
Repository Sales	-	243	243	-	278	278
Educational Services	117	-	117	116	-	116
Training and Publications	48	-	48	53	-	53
Rental Income	32	1,177	1,209	101	1,087	1,188
Chaplaincy Services	-	30	30	-	26	26
Other	39	-	39	20	-	20
Total	959	1,991	2,950	755	1,954	2,709

5. INCOME FROM OTHER TRADING ACTIVITIES

	2018			2017		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Social Club	-	148	148	-	131	131
Total	-	148	148	-	131	131

NOTES TO THE FINANCIAL STATEMENTS

6. INVESTMENT INCOME AND INTEREST RECEIVABLE

	2018			2017		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Income on UK listed investments	283	51	334	275	47	322
Income on UK investment properties	15	37	52	15	44	59
Interest on UK cash held at bank	(14)	140	126	219	63	282
Total	284	228	512	509	154	663

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Curial £'000	Parochial £'000	Total 2018 £'000	Curial £'000	Parochial £'000	Total 2017 £'000
FAITH AND EDUCATION						
Worship	153	7808	7,961	411	7,965	8,376
Clergy Support	769	-	769	628	-	628
Pastoral	228	21	249	227	35	262
Chaplaincy	39	-	39	32	-	32
Education	631	-	631	506	-	506
Pilgrimages	65	-	65	64	-	64
Total	1,885	7,829	9,714	1,868	8,000	9,868
SUPPORT						
Bishop's Office	225	-	225	213	-	213
Governance	165	-	165	316	-	316
Finance	691	-	691	534	-	534
HR	14	-	14	13	-	13
Estate Management	500	-	500	422	-	422
Safeguarding	141	-	141	126	-	126
Communications	59	-	59	64	-	64
Total	1,795	-	1,795	1,688	-	1,688
TOTAL EXPENDITURE	3,680	7,829	11,509	3,556	8,000	11,556

NOTES TO THE FINANCIAL STATEMENTS

8. EMPLOYEE COSTS

	Curial £'000	Parochial £'000	Total 2018 £'000	Curial £'000	Parochial £'000	Total 2017 £'000
Salaries	1,008	742	1,750	1,017	691	1,708
Pension	58	19	77	57	15	72
Life Insurance	5	-	5	6	-	6
Employer's NIC	95	20	115	96	18	114
Total Employee Costs	1,166	781	1,947	1,176	724	1,900

The average number of employees during the year was 161 (2017: 153).

Three employees had emoluments, excluding pension contributions, within the band £60,000 - £70,000 (2017: Two).

The total remuneration for key management employees in 2018 was £387k (2017: £379k).

There were no termination payments for employees during 2018 (2017: Nil).

Employee costs include £4k for holiday pay not taken during 2018 (2017: £14k).

None of the Trustees received remuneration for their work as Trustees in 2018 (2017: None). Expenses totalling £6,203 (2017: £3,538) 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 out of Curial funds.

9. TANGIBLE FIXED ASSETS

	CURIAL		PAROCHIAL		Total	DIOCESE TOTAL
	Freehold Land	Freehold Buildings	Freehold Land	Freehold Buildings		
COST	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 January 2018	-	1,862	-	25,491	25,964	27,848
Additions	-	-	-	1,052	1,052	1,052
Disposals	-	-	-	-	-	-
Transfer to investments	-	(311)	-	-	-	(311)
As at 31 December 2018	-	1,551	-	26,543	27,016	28,589
DEPRECIATION						
As at 1 January 2018	-	533	-	10,946	11,060	11,606
Charge for the year	-	32	-	593	593	627
Disposals	-	-	-	-	-	-
Transfer to investments	-	(12)	-	-	-	(12)
As at 31 December 2018	-	553	-	11,539	11,653	12,221
NET BOOK VALUE						
As at 31 December 2018	-	998	-	15,004	15,363	16,368
As at 31 December 2017	-	1,328	-	14,545	14,904	16,241

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 (2017: £nil). The Trustees consider that the market value of the property is substantially in excess of this amount.

NOTES TO THE FINANCIAL STATEMENTS

10. FIXED ASSET INVESTMENTS

	Curial £'000	Parochial £'000	Total 2018 £'000	Curial £'000	Parochial £'000	Total 2017 £'000
Listed Investments	8,601	1,741	10,342	9,210	1,548	10,758
UK Investment Properties	879	940	1,819	580	940	1,520
Total	9,480	2,681	12,161	9,790	2,488	12,278

Listed Investments – Common Investment Fund

	Curial £'000	Parochial £'000	Total 2018 £'000	Curial £'000	Parochial £'000	Total 2017 £'000
Market Value brought forward	9,210	1,548	10,758	8,379	1,532	9,911
Additions at Cost	2,508	432	2,940	1,819	293	2,112
Fees	(49)	(10)	(59)	(48)	(8)	(56)
Sale Proceeds from Disposals	(2,428)	(66)	(2,494)	(1,856)	(302)	(2,158)
Realised Gain/(Loss)	31	6	37	84	18	102
Unrealised Gain/(Loss)	(609)	(157)	(766)	832	15	847
Market Value carried forward	8,663	1,753	10,416	9,210	1,548	10,758
Book Cost carried forward	7,857	1,559	9,416	7,610	1,199	8,809

NOTES TO THE FINANCIAL STATEMENTS

UK Investment Properties

Investment properties are included at their estimated open market valuation at the balance sheet date. The valuation of investment properties is performed by the Trustees.

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

	Curial £'000	Parochial £'000	Total 2018 £'000	Curial £'000	Parochial £'000	Total 2017 £'000
Valuation brought forward	580	940	1,520	580	1,330	1,910
Additions at cost	-	-	-	-	-	-
Disposals	-	-	-	-	(390)	(390)
Transfer from fixed assets	299	-	299	-	-	-
Revaluation to estimated open market value	-	-	-	-	-	-
Valuation carried forward	879	940	1,819	580	940	1,520

Realised Gains / (Losses) on Fixed Asset Investments

	Curial £'000	Parochial £'000	Total 2018 £'000	Curial £'000	Parochial £'000	Total 2017 £'000
On Listed Investments	(31)	(6)	(37)	84	18	102
On UK Investment Properties	-	-	-	-	10	10
Total	(31)	(6)	(37)	84	28	112

Unrealised Gains / (Losses) on Fixed Asset Investments

	Curial £'000	Parochial £'000	Total 2018 £'000	Curial £'000	Parochial £'000	Total 2017 £'000
On Listed Investments	(609)	(157)	(766)	832	15	847
On UK Investment Properties	-	-	-	-	-	-
Total	(609)	(157)	(766)	832	15	847

NOTES TO THE FINANCIAL STATEMENTS

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Curial	Parochial	Total	Curial	Parochial	Total
	£'000	£'000	2018 £'000	£'000	£'000	2017 £'000
Prepayments and Other Debtors	315	3	318	491	50	541
Income Tax Recoverable (Gift Aid)	206	-	206	347	-	347
Legacies	50	-	50	73	-	73
Total	571	3	574	911	50	961

Prepayments and other debtors include £14,433 (2017: £10,810) in respect of loans to priests to purchase cars, on which no interest is payable, and which are repayable within four years.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Curial	Parochial	Total	Curial	Parochial	Total
	£'000	£'000	2018 £'000	£'000	£'000	2017 £'000
Deferred income	19	-	19	7	-	7
School Projects Funding	402	-	402	476	-	476
Sundry creditors and accruals	446	113	559	661	41	702
Total	867	113	980	1,144	41	1,185

Loans falling due within one year are unsecured.

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

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

	Curial	Parochial	Total	Curial	Parochial	Total
	£'000	£'000	2018 £'000	£'000	£'000	2017 £'000
Grants Repayable	73	-	73	73	-	73
Proceeds of sale of school site payable	5,691	-	5,691	5,691	-	5,691
Sundry creditors and accruals	-	1	1	2	27	29
Loans	-	57	57	-	108	108
Total	5,764	58	5,822	5,766	135	5,901

NOTES TO THE FINANCIAL STATEMENTS

14. ENDOWMENT FUNDS

The endowed funds are permanent endowments.

The balances on the main funds are as follows:

	Balance as at 1 January 2018 £'000	Income £'000	Expenditure, gains/(losses) and transfers £'000	Balance as at 31 December 2018 £'000
CURIAL				
Bishop's Support Fund	134	-	(11)	123
Clergy Training Fund	118	-	(8)	110
Clifton Mission Benefactors Fund	134	-	(11)	123
Heavens Fund	137	-	(10)	127
Young Fund	68	-	(6)	62
Poor Missions Fund	10	-	(1)	9
Total Curial	601	-	(47)	554
PAROCHIAL				
Pro Cathedral Endowment	4	-	-	4
Hussey Endowment	3	-	-	3
Knight Endowment	7	-	-	7
Hensler Fund	17	-	(2)	15
Scoles Endowment	11	-	(1)	10
Patterson Endowment	3	-	-	3
Stapleton Brethren Endowment	13	-	(1)	12
Fairford Mission Endowment	14	-	(1)	13
Algar Endowment	9	-	(1)	8
Malmesbury Mission Endowment	14	-	(2)	12
Nelson Endowment	14	-	(2)	12
The Lady Herbert of Lea Fund	31	-	(2)	29
Carey Trust Endowment	14	-	(1)	13
Board Endowment	7	-	-	7
Barnes Trust Endowment	20	-	(1)	19
Lucy Sharp Fund	18	-	(1)	17
Sundry Parochial Funds	16	-	(16)	-
Total Parochial	215	-	(31)	184
Diocese Total	816	-	(78)	738

NOTES TO THE FINANCIAL STATEMENTS

14. ENDOWMENT FUNDS (CONTINUED)

Comparative figures for 2017:

	Balance as at 1 January 2017 £'000	Income £'000	Expenditure, gains/(losses) and transfers £'000	Balance as at 31 December 2017 £'000
CURIAL				
Bishop's Support Fund	122	-	12	134
Clergy Training Fund	109	-	9	118
Clifton Mission Benefactors Fund	122	-	12	134
Heavens Fund	126	-	11	137
Young Fund	62	-	6	68
Poor Missions Fund	9	-	1	10
Sundry Curial Funds	45	-	(45)	-
Total Curial	595	-	6	601
PAROCHIAL				
Pro Cathedral Endowment	4	-	-	4
Hussey Endowment	3	-	-	3
Knight Endowment	7	-	-	7
Hensler Fund	15	-	2	17
Scoles Endowment	10	-	1	11
Patterson Endowment	3	-	-	3
Stapleton Brethren Endowment	11	-	2	13
Fairford Mission Endowment	13	-	1	14
Algar Endowment	8	-	1	9
Malmesbury Mission Endowment	12	-	2	14
Nelson Endowment	12	-	2	14
The Lady Herbert of Lea Fund	28	-	3	31
Carey Trust Endowment	13	-	1	14
Board Endowment	7	-	-	7
Barnes Trust Endowment	19	-	1	20
Lucy Sharp Fund	18	-	-	18
Sundry Parochial Funds	16	-	-	16
Total Parochial	199	-	16	215
Diocese Total	794	-	22	816

NOTES TO THE FINANCIAL STATEMENTS

14. ENDOWMENT FUNDS (CONTINUED)

Curial Endowments

Most of the endowments are for specific purposes as follows:

- The Bishop's Support Fund is for the maintenance of the Bishop's Office at St. Ambrose House (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 Heaven's Fund is 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

NOTES TO THE FINANCIAL STATEMENTS

15. RESTRICTED FUNDS

	Balance as at 1 January 2018 £'000	Income £'000	Expenditure, gains/(losses) and transfers £'000	Balance as at 31 December 2018 £'000
CURIAL				
Bishop's Charitable Trust	85	-	12	97
Bishop's Support Fund	169	-	(36)	133
Priests' Retirement Fund	957	-	(98)	859
Clergy Welfare Fund	419	-	(71)	348
Youth Development Fund	11	-	-	11
Youth Bursary Fund	13	-	-	13
Christ's College Education Fund	1,485	-	-	1,485
Curial Restricted Legacies	705	-	(23)	682
Curial Trust Funds	702	-	52	754
Fundraising Appeals	14	-	6	20
Restricted Fixed Assets Fund	289	-	(40)	249
Other Curial Funds	1	-	(1)	-
Total Curial	4,850	-	(199)	4,651
PAROCHIAL				
Parsons Fund - Tisbury	3	-	(2)	1
Parsons Fund - Jesuit	179	-	3	182
Cathedral Fund	109	-	(8)	101
Cathedral Roof Fund	-	700	(700)	-
Other Parochial Funds	364	-	46	410
Total Parochial	655	700	(661)	694
Diocese Total	5,505	700	(860)	5,345

NOTES TO THE FINANCIAL STATEMENTS

15. RESTRICTED FUNDS (CONTINUED)

Comparative figures for 2017:

	Balance as at 1 January 2017 £'000	Income £'000	Expenditure, gains/(losses) and transfers £'000	Balance as at 31 December 2017 £'000
CURIAL				
Bishop's Charitable Trust	116	-	(31)	85
Bishop's Support Fund	168	-	1	169
Priests' Retirement Fund	950	120	(113)	957
Clergy Welfare Fund	345	-	74	419
Youth Development Fund	11	-	-	11
Youth Bursary Fund	13	-	-	13
Christ's College Education Fund	1,485	-	-	1,485
Curial Restricted Legacies	708	-	(3)	705
Curial Trust Funds	683	-	19	702
Fundraising Appeals	8	-	6	14
Restricted Fixed Assets Fund	142	-	147	289
Other Curial Funds	2	-	(1)	1
Total Curial	4,631	120	99	4,850
PAROCHIAL				
Parsons Fund - Tisbury	14	-	(11)	3
Parsons Fund - Jesuit	177	-	2	179
Cathedral Fund	-	-	109	109
Other Parochial Funds	196	785	(617)	364
Total Parochial	387	785	(517)	655
Diocese Total	5,018	905	(418)	5,505

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 Funds – 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 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

NOTES TO THE FINANCIAL STATEMENTS

15. RESTRICTED FUNDS (CONTINUED)

- Christ's College Education fund is the proceeds from the sale of the college which are restricted for educational purposes
- Curial Restricted Legacies comprise a number of legacies donated for specific purposes
- Curial Trust Funds comprises a small number of small specific Trusts relating to individual parishes or parishioner groups
- Fundraising Appeals represents 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 comprises 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
- The Tisbury Jesuit Fund is to be used for the benefit of the people, buildings and activities in rural parishes of the Diocese
- Parochial Restricted Legacies comprise a number of legacies donated for specific purposes
- Other Parochial Funds comprises special collections, legacies and donations for specific projects within the parishes

16. 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 2018 £'000	Income £'000	Expenditure, gains/(losses) and transfers £'000	Balance as at 31 December 2018 £'000
Fixed Assets Fund	15,952	-	168	16,120
Clergy Welfare Fund	54	-	-	54
Priests' Retirement Fund	826	-	(66)	760
St. Thomas More Secondary School	1,927	-	(245)	1,682
Christ's College Sponsorship Fund	750	-	-	750
Adult Education Fund	38	-	(4)	34
School Projects Reserve	28	-	3	31
School DFC Funding	-	-	408	408
Bristol Catholic Players	4	-	-	4
CIF Income Reserve	64	-	(64)	-
St. Bonaventure's Fund	281	-	5	286
Property Maintenance Fund	1,015	-	-	1,015
Total Designated Funds	20,939	-	205	21,144

NOTES TO THE FINANCIAL STATEMENTS

16. DESIGNATED FUNDS (CONTINUED)

Comparative figures for 2017:

	Balance as at 1 January 2017 £'000	Income £'000	Expenditure, gains/(losses) and transfers £'000	Balance as at 31 December 2017 £'000
Fixed Assets Fund	15,979	-	(27)	15,952
Clergy Welfare Fund	52	-	2	54
Priests' Retirement Fund	745	-	81	826
St. Thomas More Secondary School	1,997	-	(70)	1,927
Christ's College Sponsorship Fund	750	-	-	750
Adult Education Fund	39	-	(1)	38
School Projects Reserve	19	-	9	28
Bristol Catholic Players	4	-	-	4
CIF Income Reserve	64	-	-	64
St. Bonaventure's Fund	276	-	5	281
Property Maintenance Fund	-	-	1,015	1,015
Total Designated Funds	19,925	-	1,014	20,939

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
- CIF Income Reserve represents funds held for distribution to parishes
- 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

NOTES TO THE FINANCIAL STATEMENTS

17. GENERAL UNRESTRICTED FUNDS (EXCLUDING DESIGNATED FUNDS)

	Balance as at 1 January 2018	Movement during 2018	Balance as at 31 December 2018
	£'000	£'000	£'000
General Curial Funds	8,824	(1,043)	7,781
General Parochial Funds	11,286	(395)	10,891
Total Unrestricted Funds	20,110	(1,438)	18,672

18. TRANSFERS BETWEEN CURIAL AND PAROCHIAL FUNDS

	Curial £'000	Parochial £'000	Total 2018 £'000
Parish Share	1,882	(1,882)	-
Other transfers	(1,287)	1,287	-
Total	595	(595)	-

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.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2018

	Endowments £'000	Restricted £'000	Designated £'000	Unrestricted £'000	Total Funds £'000
Tangible Fixed Assets	-	248	16,120	-	16,368
Fixed Asset Investments	719	1,018	760	9,664	12,161
Net Current Assets	18	9,830	4,365	9,008	23,221
Creditors falling due after one year	-	(5,749)	(101)	-	(5,850)
Total	737	5,347	21,144	18,672	45,900

NOTES TO THE FINANCIAL STATEMENTS

Comparative figures for 2017:

	Endowments £'000	Restricted £'000	Designated £'000	Unrestricted £'000	Total Funds £'000
Tangible Fixed Assets	-	289	15,952	-	16,241
Fixed Asset Investments	782	1,107	826	9,563	12,278
Net Current Assets	34	9,910	4,261	10,547	24,752
Creditors falling due after one year	-	(5,800)	(101)	-	(5,901)
Total	816	5,506	20,938	20,110	47,370

20. NOTES TO THE CASH FLOW STATEMENT

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

	2018 £'000	2017 £'000
Net income/(expenditure) for the reporting period	(1,471)	1,838
Depreciation charges	627	593
Losses/(gains) on investments	766	(847)
Dividends, interest and rents from investments	(512)	(663)
Decrease/(increase) in debtors	386	(358)
(Decrease) in creditors	(233)	(8)
Net cash (used in)/provided by operating activities	(437)	555

(b) Reconciliation of net cash flow to movement in net funds

	2018 £'000	2017 £'000
(Decrease)/increase in cash in the year	(1,378)	681
Cash outflow from repayment of loan	-	-
New loans received	-	108
(Decrease)/increase in net funds in the year	(1,378)	789
Net funds brought forward	24,976	24,187
Net funds carried forward	23,598	24,976

NOTES TO THE FINANCIAL STATEMENTS

20. NOTES TO THE CASH FLOW STATEMENT (CONTINUED)

(c) Analysis of changes in net funds

	As at 1 January 2018 £'000	Cash Flow £'000	As at 31 December 2018 £'000
Short-Term Deposits	24,657	(242)	24,415
Cash at bank and in hand	319	(1,136)	(817)
Net cash at bank and short-term deposits	24,976	(1,378)	23,598
Loans due for repayment within one year	-	-	-
	24,976	(1,378)	23,598

Cash at bank and in hand is held in a group bank account together with short-term deposits. Overdrawn cash balances are offset by the short-term deposits.

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

21. FINANCIAL INSTRUMENTS

	2018 £'000	2017 £'000
Financial assets measured by fair value	12,161	12,278
Financial assets measured by amortised cost	575	961
Financial liabilities measured by amortised cost	6,082	7,086

Financial assets measured at fair value include investments.

Financial assets measured at amortised cost include other debtors, income tax recoverable and legacies.

Financial liabilities measured at amortised cost include grants repayable and proceeds of sale of school site.

