

CLIFTON DIOCESE

A Company Limited by Guarantee: Registered No. 10462076

ANNUAL REPORT and FINANCIAL STATEMENTS

for the year ended

31st DECEMBER 2022

CLIFTON DIOCESE

Charity Number: 1170168

Company Number: 10462076

Registered Address: St. Ambrose
North Road
Leigh Woods
Bristol
BS8 3PW

PROFESSIONAL ADVISERS

Auditors: Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Bankers: National Westminster Bank Plc
Commercial Office
PO Box No 2702
3 Temple Back East
Temple Quay
Bristol
BS1 9BW

Investment Manager: Evelyn Partners
Portwall Place
Portwall Lane
Bristol
BS1 6NA

Solicitors: Stone King LLP
13 Queen Square
Bath
BA1 2HJ

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BISHOP'S VISION

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

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

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.

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'.

MISSION

COMMUNION

PRAYER

TRUSTEES' REPORT

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 104 parishes, 35 maintained schools, 14 single academies, 2 multi-academy trusts, 2 special schools and 5 independent schools and the Diocesan administrative office (Curia).

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

ORGANISATIONAL STRUCTURE

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

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

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

Parishes

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

There are 79 active priests (Diocesan and Religious) within the Diocese who lead the parish communities, supported by 42 deacons many of whom combine their religious vocation with career and

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

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

Throughout 2022 parish life returned to normal having been significantly impacted over the previous two years due to the Coronavirus pandemic. The provision of the Sacraments was no longer restricted, and Mass attendance increased, though not back to the pre-pandemic numbers in all parishes. Many of our parishes have welcomed new parishioners who have moved to the UK from countries such as Africa, South and Central America, Eastern Europe, the Indian subcontinent, and the Philippines.

Mass Attendance and Sacraments

	2022	2021
Baptisms	581	1,017
Received into the Church	68	67
First Holy Communions	1,552	1,215
Confirmation	830	440
Sunday Mass attendance	19,132	13,698

With a strong focus on mission and Catholic social teaching, outreach to local communities continues to be a focus for parishes. Work in food banks, soup runs and support groups for the elderly is a key element of parish life, and the impact of the cost of living and energy crisis has seen a number of parishes utilising halls and other parish properties for the Warm Spaces initiative.

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 104 parishes comprising the Clifton Diocese form the core of our Catholic community. During 2022 the number of parishes reduced from 107, following the suppression of Holy Cross, Bedminster which resulted in the temporal goods of the parish and parishioners transferring to St Gerard Majella in Knowle, and the merger of three parishes in Salisbury; St Osmund, St Gregory & The English Martyrs and Most Holy Redeemer merged to form the one parish of St Osmund. The 104 parishes are served by 57 secular priests and 22 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 42 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.

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The parishes co-operate as 13 deaneries. However, the current structure is due to be reduced to 9 deaneries with effect from 1 September 2023. The deaneries facilitate local collaboration and provides a collegiate environment for parish priests.

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

Schools

There are 54 Catholic primary, 7 Catholic secondary schools and a sixth form college, 2 independent special schools and 5 other independent schools within the Diocese. Following the formation of the two Diocesan Catholic Multi-Academy Trusts during 2021, eight primary schools initially transferred into the Trusts on 1 March 2022, five into the Dunstan Educational Trust and three into the Cardinal Newman Educational Trust, respectively. During 2022 a further two primary schools joined the Dunstan Trust, and one joined the Newman Trust. Both Trusts are now planning further growth over the next two years. The development of a third Diocesan Multi-Academy Trust was approved by the Department of Education Advisory Board in July 2023, with five primary schools from the Gloucestershire area due to transfer into the new Trust on 1 January 2024.

Over 22,635 pupils are educated in our schools and whilst priority is given to Catholic applicants, approximately 48% of pupils are drawn from outside the Catholic community. The monitoring of the academic performance of schools continues, with the Diocesan Department for Schools and Colleges recommencing face to face engagement with schools during the year. However, the provision of some online training and development sessions continues as participants appreciate the convenient of joining courses remotely. The team also continue to work closely with the relevant Local Authorities, the Regional Schools Commissioner and OFSTED to ensure that high quality education is delivered, and the Catholic ethos of the schools maintained.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty as defined in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission, in determining the activities undertaken by the Charity. In making this declaration, the Trustees consider the work of the Diocese in supporting our charitable objects and the sections below elaborate further on the key areas of the benefit of our work to the public.

Access to our Churches

Our Churches are an important part of how our communities define themselves and they are a significant feature in many towns and cities. Most of these buildings are between 30 and 150 years old and some

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are of historical and architectural importance. Historic England list some. We are guardians of a heritage that has been passed on to us and we will always do our best to pass them on in good order to the next generation. All of them are subject to a need for constant maintenance and repair and this is a significant part of our overall expenditure.

Help to the needy

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

Co-ordinating collective fundraising efforts

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

Education

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

PRINCIPAL RISKS AND UNCERTAINTIES

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

- Effective implementation of Health & Safety legislation
Mitigations:
 - Online training modules available for employees and volunteers

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- Detailed policies and procedures in place, with regular review undertaken
- Implementation of Safety Toolbox for parishes

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

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

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

FUNDRAISING APPROACH

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

To date no complaints about fundraising activities have been received by the Diocese. (2021: Nil)

GOVERNANCE AND MANAGEMENT

Governance

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

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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 143 employees, assets of £53.1m and income of £12m. 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 12 Trustees of which the Bishop is the Chairman. The 6 other clerical Trustees are appointed for their expertise in parochial, spiritual, pastoral, and canonical expertise. The 5 lay Trustees are selected for their wide-ranging business and educational expertise. Trustees are appointed for a term of 3 years renewable up to a maximum of 9 years. Periodically a skills audit is undertaken, and skill gaps identified bearing in mind the current areas of work which provide specific challenges for the Diocese. Recruitment is carried out after advertising throughout the Catholic community of the Diocese.

When the Charity Governance Code was published in July 2017, the Trustees evaluated the Board's performance against each principle of the Code and found that the Diocese met most of the outcomes. The Trustees adopted the Code and have aspired to meet all requirements. Following the publication of the revised version in December 2020, a planned review in 2022 was deferred and is now scheduled during the autumn of 2023, to consider any further requirements of the updated Code.

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

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

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

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

Charitable Company:

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

Trustees of Clifton Diocese:

Right Reverend Declan Lang, Bishop of Clifton (Chair)
Rev. Mgr. Canon Bernard Massey VG (Vice Chair) (Moderator of the Curia) (Resigned 31/08/2022)
Rev. Mgr. Canon William Slattery VG (Vice Chair)

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Rev. Canon Colin Mason VG (Appointed 28/11/2022)
Rev. Canon Richard Dwyer
Rev. Canon John Cunningham
Rev. David Mills
Rev. Stephen Boughton (Appointed 31/08/2022)
Dr Michael Thompson
Mr Patrick Graves (Appointed 31/08/2022)
Mr Richard Ashby
Mr Simon Wood (Appointed 30/01/2023) (Resigned 15/08/2023)
Mr Stephen McNulty (Resigned 08/12/2022)
Dr Timothy Coyle

Minute Secretary to the Trustees:

Miss Sharon Owen

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 & Risk Committee:

Rev. Stephen Boughton (T) (Chair)
Rev. Mgr. Canon William Slattery VG (T)
Rev. Canon Colin Mason VG (T)
Rev. Canon John Cunningham (T)
Dr Tim Coyle (T)
Mr John Kyffin

The Audit Committee and Risk Committee have been merged to form a joint Audit & Risk Committee. This committee is made up of a minimum of 3 Trustees and 1 lay member. The Chief Operating Officer and Diocesan Financial Administrator / Head of Finance, as well as the lead partner and audit manager from our Auditors are in attendance. They meet 3 times per year to focus on risk management, financial reporting, control, and governance.

The Investment Committee:

Dr Timothy Coyle (T) (Chair)
Rev. Mgr. Canon Bernard Massey VG (T) (Resigned 31/08/2022)
Mr Richard Ashby (T) (Appointed 31/08/2022)
Ms Jenny Tozer
Ms Rosamond Harris

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This committee is made up of at least 2 Trustees and 2 lay professional members and meets with the lead Investment Manager from CLA Evelyn Partners. The Chief Operating Officer and the Diocesan Financial Administrator / Head of Finance are in attendance. It generally meets twice per year but in volatile times has a mechanism in place to meet more frequently. The Investment Committee is a Sub-committee of the Finance Committee.

The Clergy Welfare Committee:

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

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

The Property Committee:

Rev. David Mills (T) (Chair)
Rev. Mgr. Canon Bernard Massey VG (T) (Resigned 31/08/2022)
Rev. Canon Colin Mason VG (T) (Appointed 28/11/2022)
Rev. Stephen Boughton (T) (Appointed 31/08/2022)
Mr Simon Wood (T) (Appointed 30/01/2023) (Resigned 15/08/2023)
Mr Stephen McNulty (T) (Resigned 08/12/2022)
Mr Richard Ashby (T)

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

The HR Committee:

Right Reverend Declan Lang, Bishop of Clifton (Chair) (T)
Rev. Mgr. Canon Bernard Massey VG (T) (Resigned 31/08/2022)
Rev. Mgr. Canon William Slattery VG (T)
Rev. Canon Colin Mason VG (T) (Appointed 28/11/2022)
Mr Nigel Cook
Mrs Siobhan Kinsman (Appointed 27/01/2023)

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This committee is composed of 3 Trustees as well as having the support of a lay professional and a professional HR Advisor who is retained by the Diocese to give information and advice as needed. This committee deals with all employment related issues in the Diocese. It is chaired by the Bishop with the Chief Operating Officer, the Executive Assistant to the Chief Operating Officer and the HR Advisor in attendance.

The Finance Committee:

Rev. Mgr. Canon William Slattery VG (T) (Chair)
Rev. Mgr. Canon Bernard Massey VG (T) (Resigned 31/08/2022)
Rev. Canon Colin Mason VG (T) (Appointed 28/11/2022)
Rev. David Mills (T)
Dr. Timothy Coyle (T)
Mr Richard Ashby (T)
Mrs Ann Tarr

This committee is composed of 5 Trustees plus 1 other financial expert with the Chief Operating Officer and the Diocesan Financial Administrator / Head of Finance in attendance. Its role is to look at all finance related issues in parishes and to give approval for expenditure (up to £300k) and where possible to make recommendation to the main Board for approval on expenditure over this limit. The Finance Committee generally meets 6 times a year. The Diocesan Financial Administrator / Head of Finance has a further delegated responsibility per a schedule approved by Trustees.

The Health and Safety Committee:

Rev. David Mills (T) (Chair)
Mr Richard Ashby (T)
Rev. Mgr. Canon Bernard Massey VG (T) (Resigned 31/08/2022)
Rev. Stephen Boughton (T) (Appointed 31/08/2022)

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

The Safeguarding Committee:

Mr Richard Ashby (T) (Chair)
Rev David Mills (T)
Deacon Paul Brandon
Dr Maame Sarfo
Mr Patrick Graves (T)

The committee is composed of a minimum of 2 Trustees, a clergy representative with safeguarding experience and one independent safeguarding expert. It will generally meet 6 times a year and the Chief Operating Officer and Diocesan Safeguarding Coordinator will be in attendance. Its role is to review

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the performance of the Diocese in safeguarding matters to ensure that it is operating within the standards, policies, and procedures of the Catholic Safeguarding Standards Agency.

Clifton Catholic Diocesan Education Foundation / Academy Project Board

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

Council of Priests

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

Diocesan Pastoral Council

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

Bishop's Council

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

Pastoral Management

The Bishop is supported in his pastoral leadership of the Diocese by two Vicars General. The Bishop is advised by the Bishop's Council and the Chapter of Canons. The Council of Priests provides the link to the parish priests and deaneries.

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

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

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

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SENIOR MANAGEMENT TEAM

Mrs Lyn Murray – Chief Operating Officer
Mrs Mary Cox – Director of Schools and Colleges (Appointed 01/09/2022)
Ms Rebecca Cawsey – Safeguarding Coordinator
Mr Simon Hussey – Diocesan Financial Administrator / Head of Finance
Mrs Jo Long – Head of Property Services
Miss Sarah Adams – Director of Adult Education and Evangelisation
Mr Philip Gibbons – Communications Officer

Remuneration Policy

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

DIOCESAN DEPARTMENTS

Adult Education & Evangelisation

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

Safeguarding

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

School and Colleges

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

Property Services

This department works both with the central Curial offices and the individual parishes to deal with the vast range of issues associated with churches and properties, such as health & safety requirements to

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ensure compliance with law. The team also supports with issues relating to diocesan owned school buildings and land and oversees facilities management for all curia properties.

Finance

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

Communications

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

PARISHES

The 104 parishes in the Diocese have the day-to-day administration of the property and assets delegated to the parish priests who are advised by their parish finance committee.

VOLUNTEERS

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

RELATED PARTIES

Subsidiary Charities

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

CHARITY NAME	REGISTERED NO.
Clifton Catholic Diocesan Trustees Registered	1170168-7
Edith Mary Young Memorial Fund	1170168-1
Elizabeth Lady Herbert Foundation	1170168-2
Heaven's Roman Catholic Orphanage for Girls	1170168-3

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Lady Arundel of Wardour Bequest for Training of Students 1170168-4
for the Roman Catholic Priesthood

The following charities have not been activated:

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

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

As far as we are aware:

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

STRATEGIC REPORT

ACTIVITIES AND ACHIEVEMENTS DURING THE YEAR

Key areas of activity and achievement throughout the Diocese during the year are as follows:

- The launch of a new regular publication by the Department of Adult Education and Evangelisation, 'The Clifton Evangelist' newsletter, with the aim of being both a source of information and formation to engage with the people of the Diocese in sharing and growing to be faith-filled people, serving the wider community, and proclaiming the Gospel.
- The Relics of St Bernadette visited the Cathedral Church of SS Peter & Paul in Clifton on 10 September 2022 with hundreds of parishioners from around the Diocese attending to venerate the Blessed Relics and join in the celebration of Mass which included the anointing of the sick.
- Contactless Giving functionality continued to be implemented by further parishes with a total of 43 using this facility by the end of 2022 and more than £400,000 in donations collected since the start of the rollout in March 2021.
- Online training courses continued to be provided by the Curia departments including Governor training by the Schools & Colleges team and updated Safeguarding training based on the new eight safeguarding standards.

Deanery Structure Changes

With a focus on planning for the future and the Diocesan Guidelines 'Called to be a People of Hope', during 2022 there was an opportunity for a small working party of clergy and laity to consider how we move forward over the coming years with fewer priests to ensure that there is an ongoing focus on mission and the pastoral provision for the People of God within the Diocese. A review of the current deanery structure was undertaken, and it was agreed to reduce the number of deaneries from 13 to 9 with effect from 1 September 2023. The aim of the revised structure is to support parishes in sharing resources and gifts so that they continue to be places of welcome and hope and focus on deepening prayer, enabling communion, and strengthening mission.

New Deans have been appointed to support the updated structure and their focus is to liaise with parishioners to determine the pastoral needs of local area, as well as the needs of the wider area and the wider community. It is an opportunity for clergy and laity to listen to one another and to the Word of God, and to continue the mission of the Church.

Clergy Support

One seminarian was ordained a Priest in July 2022 and joined a parish as the Assistant Priest in September 2022, with another ordained to the Diaconate in November 2022 and ordained to the Priesthood in July 2023.

Two seminarians started formation for the priesthood at St Mary's College, Oscott in September 2022, with another seminarian due to start formation at Pontifical Beda College in Rome during September 2023.

There are 13 students in formation for the Permanent Diaconate. Five students are in their fourth year of formation and are due to be ordained in September 2023. Two students are due to start their journey of formation, with 3 beginning the process of discernment. The Diaconate programme draws on skills

STRATEGIC REPORT

and ability from both within and outside of the Diocese to support the candidates on their journey of formation, and towards forming and shaping their hearts to be icons of service for our parish communities and Diocese.

Throughout the year, 4 Diocesan priests celebrated their ordination jubilees, with 1 individual celebrating his Golden Jubilee of fifty years as a priest.

Education

A key priority of the Diocesan School Strategy continues to be the requirement for all schools to transfer into a Diocesan Multi-Academy Trust to secure the future provision of Catholic education within the Diocese. The success and growth of the Dunstan Catholic Educational Trust and the Cardinal Newman Educational Trust has encouraged the remaining 5 school partnerships to consider the options for the future. As a result, 5 primary schools in the Little Way Partnership have applied to the Advisory Board of Department of Education, and approval for the formation of a new Catholic MAT in Gloucestershire from 1 January 2024 has been granted. The 3 Multi-Academy Trusts will be in different areas within the Diocese, and therefore provide opportunities for Voluntary Aided schools and Single Academy Trusts to consider transferring into a Diocesan MAT within their local vicinity.

The Regional Schools Commissioner, the Regional Delivery Directorate and the Diocesan Schools & Colleges team continue to meet on a regular basis to support the ongoing engagement with the school partnerships and to provide specific support to individual schools, as necessary. Currently over 82% of Diocesan schools are rated Good or above under the Ofsted framework.

A new National Inspection Framework for Catholic schools was launched during the year, with the aim of measuring the Catholic ethos of all Catholic schools in England and Wales in a consistent manner. Due to the requirement for the completion of a robust training programme for the new inspectors, the implementation of the new inspection framework has been phased throughout the year.

The three-year programme of £5m capital expenditure on our voluntary aided schools has commenced, with £294k actual expenditure in the year and a further £1.3m allocated to building projects due to complete during 2023.

Pastoral and Formation Activities

The provision of pastoral and formation activities has returned to normal, and several events organised during the year. Over 1,000 parishioners from around the Diocese attended the pilgrimage to the Shrine of Our Lady in Glastonbury and 50 pilgrimages travelled to the Holy Land in October 2022. To support individuals who were unable to attend in person, resources were made available via the Diocesan website so that they could follow the pilgrimages remotely.

Formation of the laity continues to be a priority with the Pastoral Ministry Course linked to the University of Loyola in Chicago starting its third year in September 2023. Four candidates have been offered Diocesan funded places, with a further 3 individuals being self-funded. The Diocesan run Ministry Skills course remains popular and is oversubscribed for September 2023, with 15 people joining the programme. Both courses provide formation to equip individuals to support the pastoral needs of their parishes.

STRATEGIC REPORT

Various sessions have been facilitated by the Department of Adult Education & Evangelisation with the aim of providing ongoing formation and catechesis. A Faithful Journey is the latest series of online conversations which are open to all and include topics such as Parents as Evangelisers, The Art of Accompaniment, Learning from Pope Francis, and the Pastoral Nature of Canon Law.

The Diocese continues to be engaged in the worldwide Synod initiated by Pope Francis and is focusing on what it means to be a synodal Church. Encouraging individuals to communicate and discern through spiritual listening conversations is a key activity to develop facilitation in the parishes and deaneries to support working together collaboratively to move forward in the years ahead.

Property

The £2.9m refurbishment of the Catholic Chaplaincy for the Universities of Bristol was completed in August 2022, with 14 students moving into the accommodation in September 2023. The upgraded facilities have been complimented by the redecoration of the adjoining Chapel and the provision of a resident Chaplain to oversee the pastoral life of the student community. The first cohort of students had a very positive experience living in the Chaplaincy, to the extent that a number have committed to returning for the next academic year. The remaining rooms have also been allocated to new students from September 2023.

Financial Impact of the Coronavirus pandemic

Though the provision of finance support to parishes has ceased, Parish Share contributions continue to be lower than pre-pandemic levels as income has not returned to previous levels in all parishes. As a result, the Trustees agreed to drawdown funding from restricted and designated reserves of £532k to support the Curia operational budget for 2022. It is anticipated that ongoing support will also be required for 2023 to the value of £800k and the drawdown of funds from restricted and designated reserves has been agreed by the Trustees.

To address the ongoing reduction in income for Diocesan special collections such as Clergy Training and the Priest Retirement Fund, the Trustees agreed at the strategy meeting in March 2023 to actively promote fundraising for these specific funds. Literature and Gift Aid envelopes have been designed to provide an overview of how the funds are used to support seminarians and retired clergy, with testimonials provided by individuals highlighting the personal support they have received. The promotion of legacy was also agreed to support either general or specific donations to both the Curia and parishes.

Despite the ongoing need to use reserves during 2023, the Trustees are confident that the Diocese continues to be a going concern.

Financial risk management objectives

As described in the Trustees' report, the Charitable Company has established a risk and financial management framework whose primary objectives are to protect the Charitable Company from events that hinder the achievement of the Charitable Company's objectives. The Charitable Company has no operations outside of the UK and is not exposed to movements in exchange rates, and therefore does

STRATEGIC REPORT

not enter 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

- Continued promotion of fundraising for the Clergy Training and the Priest Retirement Fund, together with a legacy campaign to support future donations.
- Ongoing encouragement of all vocations within the Diocese and work with the Vocations team to bring forward candidates for the priesthood.
- Actively promote the Diocesan Schools Strategy for all Voluntary Aided schools or Single Academy Trusts to transfer into a new or an existing Diocesan Multi-Academy Trusts.
- Support the formation of the nine new deaneries and actively encourage the interaction with the lay faithful to plan with fewer priests within the parishes.

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

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

Curial Funds

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

Total Curial income was lower in 2022 at £2,176k compared to £5,859k in 2021, as a one-off release of a creditor of £5,178 during 2021 increased the income for the year. There was an overall loss of £1,171k on fixed asset investments in 2022 compared to a gain of £1,082k in 2021. Included in the 2022 investment loss was a £20k increase in the revaluation of investment properties (£85k in 2021). The investment portfolio generated investment income of £207k in 2022 (2021: £216k).

Total Curial expenditure was £3,738k (2021: £3,543k). This is an increase of 5.5% on 2021 and the main reason for this is inflationary pressures.

STRATEGIC REPORT

Overall, Curial Funds decreased in the year by £1,785k (2021: increase of £4,772k).

Total Curial Funds on 31 December 2022 were £21,121k (2021: £22,906k) of which £10,754k (2021: £12,953k) were unrestricted. Fixed assets account for £3,677k (2021: £2,432k) of total Curial Funds of which £3,457k (2021: £2,205k) is unrestricted. Total Curial Funds include £877k (2021: £926k) net balances due from parishes.

Parochial Funds

The unrestricted offertory, donations and legacies income for the year was £7,377k (2021: £4,871k), with the main reason for the increase due to two large legacies during the year. Income from charitable activities, including fundraising income, was £1,816k (2021: £1,744k). Other income of £476k (2021: £1,797k) is lower due to the previous year including £800k from the sale of St Mary's Hill House in Woodchester. There were no property sales undertaken during 2022.

The charitable expenditure by the parishes was higher in 2022 at £6,782k (2021: £6,140k). This is a 10% increase, though it has been offset by the continued increase in income which is beginning to return to pre-pandemic levels in several parishes.

Overall, Parish Funds increased in the year by £1,815k (2021: £1,473k).

Total Parish Funds on 31 December 2022 amounted to £31,975k (2021: £30,610k) of which £31,126k (2021: £29,248k) was unrestricted. Freehold land and buildings account for £14,736k (2021: £14,817k) of total Parish Funds of which all are unrestricted.

INVESTMENT POWERS

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

Investment Policy and Performance

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

The Investment Committee reviews the performance of the main portfolio against the appropriate indices. The primary benchmark index is RPI with a secondary benchmark of the APCIMS Balanced Index. Excluding additional investment, the underlying funds decreased in value by 9.5% (yield and

STRATEGIC REPORT

capital growth). The Trustees remain confident that the performance demanded by the investment policy will continue to be achieved against the backdrop of a currently volatile market.

The Investment Committee continues to invest Diocesan funds in accordance with an ethical policy. The policy avoids investment in companies providing abortion services and related activities and companies that generate more than 1% of revenue from contraceptives, high interest rate lending, adult entertainment, and non-conventional weapons.

It also avoids investment in companies that generate more than 10% of revenue from conventional weapons and systems, alcohol and tobacco production and gambling.

The Trustees require the fund managers to consider the following areas and avoid investing in companies that fall short of relevant industry practice:

- Human rights
- Gender and racial discrimination
- Environmental controversies

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:

	2022	2021
	£'000	£'000
Total Funds	53,096	53,066
Less: Permanent Endowment Funds	(853)	(964)
Restricted Funds	(10,363)	(9,901)
Designated Funds	(4,543)	(5,125)
Tangible Fixed Assets	(18,193)	(17,022)
Free Reserves of the Charity	19,144	20,054

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

In view of the nature of the Charitable Company, the Trustees consider that the holding of reserves is necessary to provide a buffer against short-term fluctuations in income and expenditure and to provide sufficient resources to implement long-term projects which are by their nature uncertain in their financial

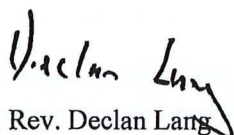
STRATEGIC REPORT

effect. The timing of the call for Diocesan funds for the schools' building programme will depend on the availability of funding by the Education Funding Authority.

Free reserves have decreased by £910k during the year. The free reserves represent 25 months of recurring unrestricted expenditure (2021: 23 months). In the light of the long-term characteristics of the expenditure plans the Trustees consider that the Charitable Company should maintain free reserves of at least 24 months recurring unrestricted expenditure.

The parochial free reserves form £16,094k (2021: £14,136k) of the total £19,144k (2021: £20,054k). It should also be noted that whilst the balance sheet shows "cash at bank and short-term deposits" of £18,321k (2021: £20,645k), this balance includes sale proceeds of £4,790k (2021: £5,178k) held for future schools building projects and other funds held for restricted purposes.

This Trustees' Report, which incorporates the Strategic Report, was approved by the Trustees on the 30th of August 2023 and signed on their behalf by:



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

AUDITOR'S REPORT

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 2022 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 of 31 December 2022 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

AUDITOR'S REPORT

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on pages 15 and 16 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

AUDITOR'S REPORT

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

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


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

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

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

Use of our report

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



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

EC4R 1AG

Date: 5 September 2023

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF FINANCIAL ACTIVITIES (SOFA) FOR THE YEAR ENDED 31 DECEMBER 2022

Notes	Unrestricted Funds		Restricted Funds		Endowment Funds		Total Funds Curial £'000	Total Funds Parochial £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
	Curial £'000	Parochial £'000	Curial £'000	Parochial £'000	Curial £'000	Parochial £'000				
Income and endowments from:										
3	105	7,377	1,255	-	-	-	1,360	7,377	8,737	4,981
4	2	-	-	-	-	-	2	-	2	144
5	468	1,816	-	-	-	-	468	1,816	2,284	2,021
6	298	180	42	5	-	-	340	185	525	408
	6	476	-	-	-	-	6	476	482	7,004
	879	9,849	1,297	5	-	-	2,176	9,854	12,030	14,558
Total income and endowments:										
Expenditure on:										
	2	-	-	-	-	-	2	-	2	32
7	3,363	6,782	373	-	-	-	3,736	6,782	10,518	9,651
	3,365	6,782	373	-	-	-	3,738	6,782	10,520	9,683
Total expenditure:										
	(949)	(265)	(140)	(15)	(82)	(29)	(1,171)	(309)	(1,480)	1,370
Net gains/(losses) on investments										
	(3,435)	2,802	784	(10)	(82)	(29)	(2,733)	2,763	30	6,245
Net income/(expenditure)										
18	1,236	(924)	(288)	(24)	-	-	948	(948)	-	-
Transfers between funds										
	(2,199)	1,878	496	(34)	(82)	(29)	(1,785)	1,815	30	6,245
Net movement in funds										
2	12,953	29,248	9,230	671	723	241	22,906	30,160	53,066	46,821
Total funds brought forward										
	10,754	31,126	9,726	637	641	212	21,121	31,975	53,096	53,066
Total funds carried forward										

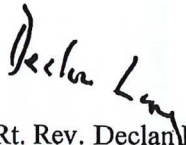
The net movement in funds shown above arises entirely from continuing activities. Comparative figures for 2021 by fund can be found in note 2.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

BALANCE SHEET AS AT 31 DECEMBER 2022 for Clifton Diocese Company No. 10462076

	Notes	2022			2021		
		Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
FIXED ASSETS							
Tangible fixed assets	9	3,677	14,736	18,413	2,432	14,817	17,249
Investments	10	10,817	5,600	16,417	12,629	4,045	16,674
		<u>14,494</u>	<u>20,336</u>	<u>34,830</u>	<u>15,061</u>	<u>18,862</u>	<u>33,923</u>
CURRENT ASSETS							
Debtors	11	1,735	1,048	2,783	613	95	708
Cash at bank and in hand		6,597	11,724	18,321	8,316	12,329	20,645
		<u>8,332</u>	<u>12,772</u>	<u>21,104</u>	<u>8,929</u>	<u>12,424</u>	<u>21,353</u>
LIABILITIES							
Creditors: amounts falling due within one year	12	(2,560)	(256)	(2,816)	(1,937)	(200)	(2,137)
Parish loans		246	(246)	-	11	(11)	-
NET CURRENT ASSETS		<u>6,018</u>	<u>12,270</u>	<u>18,288</u>	<u>7,003</u>	<u>12,213</u>	<u>19,216</u>
TOTAL ASSETS LESS CURRENT LIABILITIES							
		<u>20,512</u>	<u>32,606</u>	<u>53,118</u>	<u>22,064</u>	<u>31,075</u>	<u>53,139</u>
Creditors: amounts falling due after more than one year	13	(22)	-	(22)	(73)	-	(73)
Parish loans		631	(631)	-	915	(915)	-
NET ASSETS		<u>21,121</u>	<u>31,975</u>	<u>53,096</u>	<u>22,906</u>	<u>30,160</u>	<u>53,066</u>
FUNDS							
	Notes	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
RESTRICTED FUNDS							
Permanent endowment funds	14	641	212	853	723	241	964
Restricted income funds	15	9,726	637	10,363	9,230	671	9,901
		<u>10,367</u>	<u>849</u>	<u>11,216</u>	<u>9,953</u>	<u>912</u>	<u>10,865</u>
UNRESTRICTED FUNDS							
Designated funds	16	7,704	15,032	22,736	7,035	15,112	22,147
General fund	17	3,050	16,094	19,144	5,918	14,136	20,054
		<u>10,754</u>	<u>31,126</u>	<u>41,880</u>	<u>12,953</u>	<u>29,248</u>	<u>42,201</u>
TOTAL FUNDS		<u>21,121</u>	<u>31,975</u>	<u>53,096</u>	<u>22,906</u>	<u>30,160</u>	<u>53,066</u>

The balance sheet was approved by the Board of Trustees, and authorised for issue, on the 30th of August 2023 and signed on their behalf by the Chairman and Bishop, Right Reverend Declan Lang:


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

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £'000	2021 £'000
Cash flow from operating activities:			
<i>Net cash (used in) operating activities:</i>	20	207	(503)
Cash flows from investing activities:			
Dividends, interest, and rents from investments	6	525	408
Proceeds from the sale of property, plant, and equipment		-	789
Purchase of property, plant, and equipment	9	(1,833)	(2,639)
Proceeds from the sale of investments	10	3,614	2,863
Purchase of investments	10	(5,762)	(2,951)
Investment Fees adjustment	10	73	69
Cash held for investment	10	852	19
<i>Net cash provided by (used in) investing activities:</i>		<u>(2,324)</u>	<u>(1,945)</u>
Change in cash and cash equivalents in the reporting period:		(2,324)	(1,945)
Cash and cash equivalents at the beginning of the reporting period:		<u>20,645</u>	<u>22,590</u>
<i>Cash and cash equivalents at the end of the reporting period:</i>		<u>18,321</u>	<u>20,645</u>

The notes on pages 29 to 52 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 for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Companies Act 2016

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

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

Going concern

In spite of the need for Trustees to use a combination of designated and restricted reserves in 2022 to continue to support parishes through the post pandemic period (by reduced parish share contributions) the Trustees consider they are still able to continue as a going concern. A cashflow Statement has been produced up to Sept 2023 and reserve levels and future plans have been reviewed all of which give Trustees confidence the charity remains a going concern for the foreseeable future. The Trustees consider that there are no material uncertainties regarding the charity's ability to continue as a going concern.

Critical accounting judgements and key sources of estimation uncertainty

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

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

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

Income and endowments

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

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.

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

Expenditure

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (CONTINUED)

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

Employee benefits

Short term benefits

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

Employee termination benefits

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

Pensions

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

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

Schools

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (CONTINUED)

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

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

The Diocese of Clifton includes 35 (2021: 44) maintained schools, 14 single academies, 2 multi-academy trusts (Academies 2021: 16), 2 special schools (2021: 2), 5 independent schools (2021: 5) and 1 6th Form College (2021:1). Details of the Diocesan Schools are listed in the Clifton Diocesan Directory.

Taxation

The Trustees consider that the Charity is largely exempt from income tax under the provisions of the Income and Corporation Taxes Act 1988 and the Taxation of Taxable Gains Act 1992.

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 on 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, fittings, and organs which forms part of the fabric of the building. All other fixtures, fittings and equipment are included in the financial statements at cost.

The insured value of buildings' contents not capitalised is £26 million (2021: £25 million).

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (CONTINUED)

(iv) Works of Art and Historic Treasures

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

(v) Motor Vehicles

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

Depreciation

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

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

Listed Investments

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

Financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (CONTINUED)

Investment Properties

Freehold investment properties owned by the Diocese are included in the balance sheet at their estimated market value at the balance sheet date. The valuation of investment properties is performed by the Diocesan in house professional qualified valuer and valuations are in accordance with the RICS valuation – Global Standards 2017: UK national supplement. The 2021 valuation was performed by an external professionally qualified valuer. 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 2021

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

NOTES TO THE FINANCIAL STATEMENTS

3. DONATIONS AND LEGACIES

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Offertory	-	3,855	3,855	3	3,847	3,850
Donations	130	1,180	1,310	73	1,017	1,090
Legacies	1,230	2,342	3,572	34	7	41
Total	1,360	7,377	8,737	110	4,871	4,981

4. INCOME FROM GOVERNMENT GRANTS

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Coronavirus Job Retention Scheme – HMRC Grant	-	-	-	26	114	140
School Condition Allocations (SCA) – DfE Grant	2	-	2	4	-	4
Total	2	-	2	30	114	144

5. INCOME FROM CHARITABLE ACTIVITIES

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Fundraising, Grants Rec'd, and Repository Sales	163	480	643	19	654	673
Educational Services	102	-	102	104	-	104
Training and Publications	60	-	60	44	-	44
Rental Income	110	1,267	1,377	80	1,025	1,105
Chaplaincy Services	-	69	69	-	65	65
Other	33	-	33	30	-	30
Total	468	1,816	2,284	277	1,744	2,021

NOTES TO THE FINANCIAL STATEMENTS

6. INVESTMENT INCOME AND INTEREST RECEIVABLE

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Income on UK listed investments	207	66	273	216	56	272
Income on UK investment properties	23	37	60	28	37	65
Interest on UK cash held at bank	110	82	192	(9)	80	71
Total	340	185	525	235	173	408

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
FAITH AND EDUCATION						
Worship	78	6,775	6,853	101	6,136	6,237
Clergy Support	673	-	673	695	-	695
Pastoral	250	7	257	186	4	190
Chaplaincy	48	-	48	21	-	21
Education	752	-	752	627	-	627
Pilgrimages	-	-	-	1	-	1
Total	1,801	6,782	8,583	1,631	6,140	7,771
SUPPORT						
Bishop's Office	138	-	138	161	-	161
Governance	179	-	179	179	-	179
Finance	790	-	790	748	-	748
HR	51	-	51	45	-	45
Estate Management	562	-	562	553	-	553
Safeguarding	154	-	154	133	-	133
Communications	61	-	61	61	-	61
Total	1,935	-	1,935	1,880	-	1,880
TOTAL EXPENDITURE	3,736	6,782	10,518	3,511	6,140	9,651

NOTES TO THE FINANCIAL STATEMENTS

8. EMPLOYEE COSTS

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Salaries	1,112	755	1,867	1,143	702	1,845
Pension	48	22	70	63	21	84
Life Insurance	6	-	6	6	-	6
Employer's NIC	111	22	133	111	17	128
Total Employee Costs	1,277	799	2,076	1,323	740	2,063

The average number of employees during the year was 143 (2021: 144).

One employee had emoluments, excluding pension contributions, within the band £60,000 - £70,000 (2021: None).

No employees had emoluments, excluding pension contributions, within the band £70,000 - £80,000 (2021: One)

One employee had emoluments, excluding pension contributions, within the band £80,000 - £90,000 (2021: One)

The total remuneration for key management employees in 2022 was £461k (2021: £472k).

There were two termination payments for employees during 2022 the redundancy payments total £1k.

There were no termination payments for employees during 2021.

Employee costs include £11k for holiday pay not taken during 2022 (£40k 2021).

None of the Trustees received remuneration for their work as Trustees in 2022 (2021: None). Expenses totalling £650 (2021: £324) 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 performing their priestly duties in the same way as priests who are not Trustees. To assist him in the performance of his duties, the Bishop is provided with a house and his expenses, in carrying out his office as Bishop, are paid from Curial funds.

NOTES TO THE FINANCIAL STATEMENTS

9. TANGIBLE FIXED ASSETS

	CURIAL		PAROCHIAL		Total	DIOCESE TOTAL	
	Freehold Land	Freehold Buildings	Freehold Land	Freehold Buildings		Fixtures, Fittings and Equipment	Fixtures, Fittings and Equipment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COST							
As at 1 January 2022	-	3,042	-	26	3,076	67	31,420
Additions	-	1,289	-	544	1,289	-	1,833
Disposals	-	-	-	(5)	-	-	(5)
As of 31 December 2022,	-	4,331	-	21	4,365	67	33,248
DEPRECIATION							
As of 1 January 2022,	-	623	-	26	644	67	14,171
Charge for the year	-	36	-	625	44	-	669
Disposals	-	-	-	(5)	-	-	(5)
As of 31 December 2022,	-	659	-	21	688	67	14,835
NET BOOK VALUE							
As of 31 December 2022,	-	3,672	-	5	3,677	-	18,413
As of 31 December 2021,	-	2,419	-	13	2,432	-	17,249

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 (2021: £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

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Listed Investments	9,697	4,065	13,762	11,529	2,860	14,389
UK Investment Properties	1,120	1,535	2,655	1,100	1,185	2,285
Total	10,817	5,600	16,417	12,629	4,045	16,674

Listed Investments – Common Investment Fund

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Market Value brought forward	10,420	2,592	13,012	9,671	2,102	11,773
Additions at Cost	3,009	2,423	5,432	2,399	552	2,951
Fees	(54)	(19)	(73)	(55)	(14)	(69)
Sale Proceeds from Disposals	(2,679)	(688)	(3,367)	(2,755)	(309)	(3,064)
Realised Gain/(Loss)	(184)	(63)	(247)	163	38	201
Unrealised Gain/(Loss)	(1,191)	(329)	(1,520)	997	223	1,220
Market Value carried forward	9,321	3,916	13,237	10,420	2,592	13,012
Cash Held For Investment	376	149	525	1,109	268	1,377
	9,697	4,065	13,762	11,529	2,860	14,389
Book Cost carried forward	8,990	3,734	12,724	9,334	2,264	11,598

NOTES TO THE FINANCIAL STATEMENTS

10. FIXED ASSET INVESTMENTS (CONTINUED)

UK Investment Properties

Investment properties are included at their estimated open market valuation at the balance sheet date. The valuation is performed by the Diocesan in house professionally qualified valuer - valuations are in accordance with the RICS valuation – Global Standards 2017: UK national supplement. (2021 valuation was undertaken by an external professional qualified valuer Carter Jonas)

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

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Valuation brought forward	1,100	1,185	2,285	1,015	1,120	2,135
Additions	-	330	330	-	-	-
Revaluation to estimated open market value	20	20	40	85	65	150
Valuation carried forward	1,120	1,535	2,655	1,100	1,185	2,285

Realised Gains / (Losses) on Fixed Asset Investments

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
On Listed Investments	(184)	(63)	(247)	163	38	201
Total	(184)	(63)	(247)	163	38	201

Unrealised Gains / (Losses) on Fixed Asset Investments

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
On Listed Investments	(1,191)	(329)	(1,520)	997	223	1,220
On UK Investment Properties	20	20	40	85	65	150
Total	(1,171)	(309)	(1,480)	1,082	288	1,370

NOTES TO THE FINANCIAL STATEMENTS

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Prepayments and Other Debtors	650	128	778	540	82	622
Income Tax Recoverable (Gift Aid)	79	-	79	66	-	66
Legacies	1,006	920	1,926	7	13	20
Total	1,735	1,048	2,783	613	95	708

Prepayments and other debtors include £1,800 (2021: £7,275) in respect of loans to priests to purchase cars, on which no interest is payable, and which are repayable within three years.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Deferred income	42	-	42	-	-	-
School Projects Funding	1,757	-	1,757	1,163	-	1,163
Sundry creditors and accruals	761	256	1,017	774	200	974
Total	2,560	256	2,816	1,937	200	2,137

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.

	2022			2021		
	Curial £'000	Parochial £'000	Total £'000	Curial £'000	Parochial £'000	Total £'000
Grants Repayable	21	-	21	72	-	72
Sundry creditors and accruals	1	-	1	1	-	1
Total	22	-	22	73	-	73

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 of 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains & losses £'000	Balance as of 31 December 2022 £'000
CURIAL						
Bishop's Maintenance Fund	162	-	-	-	(19)	143
Clergy Training Fund	140	-	-	-	(14)	126
Clifton Mission Benefactors Fund	162	-	-	-	(19)	143
Heavens Fund	165	-	-	-	(19)	146
Young Fund	82	-	-	-	(10)	72
Poor Missions Fund	12	-	-	-	(1)	11
Total Curial	723	-	-	-	(82)	641
PAROCHIAL						
	£'000	£'000	£'000	£'000	£'000	£'000
Pro Cathedral Endowment	4	-	-	-	(1)	3
Hussey Endowment	4	-	-	-	(1)	3
Knight Endowment	9	-	-	-	(1)	8
Hensler Fund	20	-	-	-	(2)	18
Scoles Endowment	13	-	-	-	(2)	11
Patterson Endowment	4	-	-	-	-	4
Stapleton Brethren Endowment	16	-	-	-	(2)	14
Fairford Mission Endowment	18	-	-	-	(2)	16
Algar Endowment	10	-	-	-	(1)	9
Malmesbury Mission Endowment	17	-	-	-	(2)	15
Nelson Endowment	17	-	-	-	(2)	15
The Lady Herbert of Lea Fund	37	-	-	-	(4)	33
Carey Trust Endowment	17	-	-	-	(2)	15
Board Endowment	9	-	-	-	(1)	8
Barnes Trust Endowment	24	-	-	-	(3)	21
Lucy Sharp Fund	22	-	-	-	(3)	19
Total Parochial	241	-	-	-	(29)	212
Diocese Total	964	-	-	-	(111)	853

NOTES TO THE FINANCIAL STATEMENTS

14. ENDOWMENT FUNDS (CONTINUED)

Comparative figures for 2021:

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

NOTES TO THE FINANCIAL STATEMENTS

14. ENDOWMENT FUNDS (CONTINUED)

Curial Endowments

Most of the endowments are for specific purposes as follows:

- The Bishop's Maintenance Fund is for the support and maintenance of the Bishop of Clifton and the Bishop's Office at St. Ambrose (which also serves as his residence)
- The Clergy Training Fund is for the training of clergy and vocational support
- The Clifton Mission Benefactors Fund is to say masses for certain individuals
- The Heavens Fund is 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 of 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains & (Losses) £'000	Balance as of 31 December 2022 £'000
CURIAL						
Bishop's Charitable Fund	80	-	-	-	-	80
Bishop's Support Fund	212	4	-	-	-	216
Priests' Retirement Fund	739	1,138	-	(89)	(65)	1,723
Clergy Welfare Fund	408	7	-	(45)	(41)	329
Clergy Training Fund	17	6	-	(7)	-	16
Youth Development Fund	12	-	-	-	-	12
Youth Bursary Fund	14	-	-	-	-	14
Christ's College Education Fund	1,392	-	72	-	-	1,320
St Joseph's Education Fund	5,178	-	294	(94)	-	4,790
Curial Restricted Legacies	140	-	-	(53)	-	87
Curial Trust Funds	773	15	-	-	(34)	754
Fundraising Appeals	20	-	-	-	-	20
Other Curial Funds	18	127	-	-	-	145
Restricted Fixed Assets Fund	227	-	7	-	-	220
Total Curial	9,230	1,297	373	(288)	(140)	9,726
PAROCHIAL						
Parsons Fund - Jesuit	185	2	-	-	-	187
Cathedral Fund	132	-	-	-	(15)	117
Other Parochial Funds	354	3	-	(24)	-	333
Total Parochial	671	5	-	(24)	(15)	637
Diocese Total	9,901	1,302	373	(312)	(155)	10,363

NOTES TO THE FINANCIAL STATEMENTS

15. RESTRICTED FUNDS (CONTINUED)

Comparative figures for 2021:

	Balance as of 1 January 2021 £'000	Income £'000	Expenditure, gains/(losses) and transfers £'000	Balance as of 31 December 2021 £'000
CURIAL				
Bishop's Charitable Fund	84	-	(4)	80
Bishop's Support Fund	232	4	(24)	212
Priests' Retirement Fund	753	32	(46)	739
Clergy Welfare Fund	469	7	(68)	408
Clergy Training Fund	9	8	-	17
Youth Development Fund	12	-	-	12
Youth Bursary Fund	14	-	-	14
Christ's College Education Fund	1,485	-	(93)	1,392
St Joseph's Education Fund	-	5,178	-	5,178
Curial Restricted Legacies	644	-	(504)	140
Curial Trust Funds	781	14	(22)	773
Fundraising Appeals	20	-	-	20
Other Curial Funds	17	1	-	18
Restricted Fixed Assets Fund	234	-	(7)	227
Total Curial	4,754	5,244	(768)	9,230
PAROCHIAL				
Parsons Fund - Jesuit	185	-	-	185
Cathedral Fund	120	-	12	132
Other Parochial Funds	447	-	(93)	354
Total Parochial	752	-	(81)	671
Diocese Total	5,506	5,244	(849)	9,901

Restricted funds can only be used for a particular purpose.

The restrictions on the funds are as follows:

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

NOTES TO THE FINANCIAL STATEMENTS

15. RESTRICTED FUNDS (CONTINUED)

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

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 of 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains & Losses £'000	Balance as of 31 December 2022 £'000
Fixed Assets Fund	17,022	-	662	1,833	-	18,193
Clergy Welfare Fund	60	-	-	-	-	60
Priests' Retirement Fund	1,627	21	-	(231)	(116)	1,301
St. Thomas More Secondary School	1,291	-	-	(172)	-	1,119
Christ's College Sponsorship Fund	750	-	-	-	-	750
Adult Education Fund	1	-	-	-	-	1
School Projects Reserve	45	-	-	-	-	45
School DFC Funding	299	-	-	-	-	299
Bristol Catholic Players	4	-	-	-	-	4
St. Bonaventure's Fund	296	-	-	-	-	296
Property Maintenance Fund	727	-	-	(84)	-	643
Sisters of the Temple	25	-	-	-	-	25
Total Designated Funds	22,147	21	662	1,346	(116)	22,736

NOTES TO THE FINANCIAL STATEMENTS

16. DESIGNATED FUNDS (CONTINUED)

Comparative figures for 2021:

	Balance as of 1 January 2021 £'000	Income £'000	Expenditure, gains/(losses) and transfers £'000	Balance as of 31 December 2021 £'000
Fixed Assets Fund	15,066	-	1,956	17,022
Clergy Welfare Fund	71	-	(11)	60
Priests' Retirement Fund	1,514	20	93	1,627
St. Thomas More Secondary School	1,407	-	(116)	1,291
Christ's College Sponsorship Fund	750	-	-	750
Adult Education Fund	35	-	(34)	1
School Projects Reserve	44	4	(3)	45
School DFC Funding	678	-	(379)	299
Bristol Catholic Players	4	-	-	4
St. Bonaventure's Fund	296	-	-	296
Property Maintenance Fund	834	-	(107)	727
Sisters of the Temple	75	-	(50)	25
Total Designated Funds	20,774	24	1,349	22,147

The funds have been designated for the following purposes:

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

NOTES TO THE FINANCIAL STATEMENTS

17. GENERAL UNRESTRICTED FUNDS (EXCLUDING DESIGNATED FUNDS)

	Balance as at 1 January 2022	Movement during 2022	Balance as at 31 December 2022
	£'000	£'000	£'000
General Curial Funds	5,918	(2,868)	3,050
General Parochial Funds	14,136	1,958	16,094
Total Unrestricted Funds	20,054	(910)	19,144

18. TRANSFERS BETWEEN CURIAL AND PAROCHIAL FUNDS

	Curial £'000	Parochial £'000	Total 2022 £'000
Parish Share	1,599	(1,599)	-
Other transfers	(651)	651	-
Total	948	(948)	-

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 based on parish income.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Endowments £'000	Restricted £'000	Designated £'000	Unrestricted £'000	Total Funds £'000
Tangible Fixed Assets	-	220	18,193	-	18,413
Fixed Asset Investments	836	1,183	882	13,516	16,417
Net Current Assets	17	8,960	3,683	5,628	18,288
Long Term Liabilities	-	-	(22)	-	(22)
Total	853	10,363	22,736	19,144	53,096

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS

Comparative figures for 2021:

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

20. NOTES TO THE CASH FLOW STATEMENT

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

	2022 £'000	2021 £'000
Net income/(expenditure) for the reporting period	30	6,245
Adjustments for:		
Depreciation charges	669	690
Losses/(Gains) on investments	1,480	(1,370)
Dividends, interest, and rents from investments	(525)	(408)
(Profit) on the sale of fixed assets	-	(789)
(Increase)/decrease in debtors	(2,075)	97
Increase/(decrease) in creditors	628	(4,968)
Net cash from/ (used in) operating activities	207	(503)

Reconciliation of net cash flow to movement in net funds

	2022 £'000	2021 £'000
(Decrease)/increase in cash in the year	(2,324)	(1,945)
Cash inflow from repayment of loan	-	-
New loans received	-	-
(Decrease)/increase in net funds in the year	(2,324)	(1,945)
Net funds brought forward	20,645	22,590
	18,321	20,645

20. NOTES TO THE CASH FLOW STATEMENT (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS

(b) Analysis of changes in net funds

	As of 1 January 2022, £'000	Cash Flow in Year £'000	As of 31 December 2022, £'000
Short-Term Deposits	15,783	(1,836)	13,947
Cash at bank and in hand	4,862	(488)	4,374
Net cash at bank and short-term deposits	20,645	(2,324)	18,321
Loans due for repayment within one year	-	-	-
Net funds carried forward	20,645	(2,324)	18,321

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

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

The charity has no debt in both current year 2022 and prior year 2021.

21. CAPITAL COMMITMENTS

	2022 £'000	2021 £'000
Capital Commitments	321	1,337

The charity has two capital commitments on 31st December 2022, Clifton Chaplaincy refurbishment and St Bernadette's new roof.

22. RELATED PARTY TRANSACTIONS

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

