

ARUNDEL AND BRIGHTON DIOCESAN TRUST

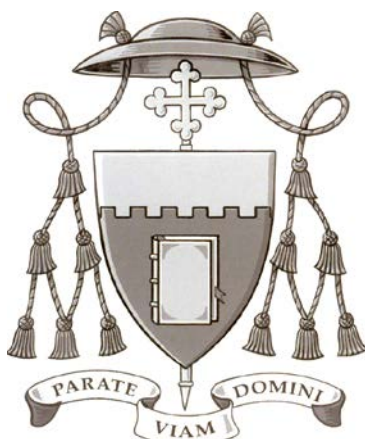
Registered Charity No. 252878

ANNUAL REPORT AND ACCOUNTS

Incorporating Thirty Connected Trusts under Charity Commission Uniting Directions

for the year ended

31 DECEMBER 2012



**Bishop's House
The Upper Drive
Hove
East Sussex
BN3 6NB**

ARUNDEL AND BRIGHTON DIOCESAN TRUST

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

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CONNECTED TRUSTS UNDER CHARITY COMMISSION UNITING DIRECTIONS

Trusts Linked to Diocesan Trust on Charity Commission website

| | |
|----------------------------|-------------|
| Battle Ashburnham | 252878 - 1 |
| Diocese Buckley | 252878 - 2 |
| Slindon Leslie | 252878 - 3 |
| Littlehampton Norfolk | 252878 - 4 |
| Littlehampton Norfolk 1901 | 252878 - 5 |
| Diocese Education | 252878 - 6 |
| Duncton Bedingfeld | 252878 - 7 |
| Herons Ghyll Hope | 252878 - 8 |
| Crawley Scawen Blunt | 252878 - 9 |
| Duncton Biddulph | 252878 - 10 |
| Arundel Norfolk | 252878 - 11 |
| Houghton Norfolk Cemetery | 252878 - 12 |
| Arundel Norfolk Cemetery | 252878 - 13 |
| Duncton Biddulph Education | 252878 - 14 |
| Angmering Norfolk | 252878 - 15 |

Other Trusts

Burwash Cemetery
Caterham Stacpole
Diocese Elmer
Dorking Norfolk
Effingham Pauling
Godalming Hyland
Hastings Fairlight Shadwell Cemetery
Haywards Heath St Josephs School
Horsham Norfolk
Keymer Munster
Oxted Lang
St Leonards Grant
Sutton Park Salvin
West Byfleet Marist School
Worthing Gaisford

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2012

LEGAL AND ADMINISTRATIVE DETAILS

TRUSTEES:

Right Reverend Kieran Conry
Bishop of Arundel and Brighton

Reverend Monsignor Canon J O Hull VG
Reverend Monsignor M B O'Shea VG
Reverend Monsignor Canon J H Scott
E B Totman
Reverend Deacon M C Thoms
Mrs B A Brittain
A Campbell OBE KSG

Secretary: J F Brotherton

DIOCESAN OFFICE:

Bishop's House
The Upper Drive
Hove
East Sussex
BN3 6NB

FINANCE COMMITTEE:

Reverend Monsignor Canon J O Hull VG - Chairman
Reverend Monsignor M B O'Shea VG
Reverend Deacon M C Thoms
T Nagle FRICS
Mrs I Wragg FRICS
W Connell FCMA
T Allen FCA

SENIOR STAFF MEMBERS:

Finance: J F Brotherton
Schools Service: Mrs M Reynolds
St Cuthman's Centre: Mrs A Hayward & Ms M-J Burkett

ADVISERS

AUDITORS:

haysmacintyre
Fairfax House
15 Fulwood Place
London WC1V 6AY

SOLICITORS:

DMH Stallard
100 Queen's Road
Brighton
East Sussex BN1 3YB

INVESTMENT MANAGERS:

Barclays Wealth & Investment Management
1 Churchill Place
London E14 5HP

BANKERS:

HSBC Bank plc
69 Pall Mall
London SW1Y 5EY

INSURANCE MANAGERS:

Catholic Church Insurance Association
Oakley House
Mill Street
Aylesbury
Bucks HP20 1BN

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2012

CONSTITUTION AND AIMS

The Arundel and Brighton Diocesan Trust is a charity established by a trust deed dated 19th May 1967 as amended 14th November 1967 and 4th December 1998. The charity is registered with the Charity Commission of England and Wales (No. 252878).

The Diocese covers the city of Brighton & Hove and the counties of East and West Sussex, and Surrey outside the London Boroughs. The Diocese serves its people through our 98 parishes, 64 schools and the Diocesan central agencies.

The principal objective of the charity is the advancement of the Roman Catholic religion and education in the Diocese and beyond.

ORGANISATION OF THE CHARITY

The fixed assets and investments of the charity are vested in a trust corporation with the Diocesan Trustees as the managing trustees. There are eight managing trustees of which the Bishop is chairman. The Trust Corporation is the Arundel & Brighton Roman Catholic Diocesan Corporation Limited incorporated on 20th January 1969. The corporation is registered under the Companies Acts (No. 0946255) as limited by guarantee and not having share capital; the Diocesan Trustees are its members and directors.

Trustees. The Bishop is empowered to appoint and remove all trustees. The trustee body comprises five clergy and three laity of the faithful. The clergy trustees are appointed for their expertise in parochial, spiritual and pastoral matters. Lay trustees are selected for specialisms in business and education. Further lay trustees would be chosen to match any perceived skill requirement and would be recruited on the recommendation of, inter alia, trustees, the Finance Committee and parish priests. New trustees are provided with terms of reference and a pack of information relating to the constitution, governance and operation of the trust. Trustees are expected to visit all central departments as well as being familiar with the work of parishes. All decisions affecting the trusts are made by the board of trustees. The board has established various committees to advise it on aspects of the trust's activities.

Finance Committee. The committee comprises three trustees and four others who have expertise in financial, property and management matters. The committee meets eight times a year. The role of the committee is advisory to the trustees on financial governance and asset management. The committee also acts as the trustees' audit committee.

Schools Committee. The committee comprises two trustees and ten others who have expertise in school education provided through the voluntary aided and independent sectors. Members comprise governors, headteachers, clergy and parents. The committee advises the trustees on education policy issues. The committee meets three times a year.

Council of Priests and College of Consultors. The priests in these two bodies advise the Bishop on strategic issues affecting the parishes and Diocese.

Diocesan Pastoral Council. The Council, an advisory body comprising clergy and laity, was set up to assist the Bishop in considering the pastoral issues confronting the Diocese.

Pastoral Committees. There are several committees advising the trustees on the wide range of pastoral activities undertaken by the trust. These committees meet between one and four times a year.

Parishes. The day to day administration of our parishes is delegated to the parish clergy who are advised by their parish finance committees. Significant matters are authorised by the trustees, for example, employment of pastoral staff and major property or capital expenditure.

The trust has a wholly owned subsidiary, The Diocese of Arundel & Brighton (Building Services) Limited, to manage building contracts on behalf of the trust. There are thirty connected charities that support parishes or the educational purposes of the trust. The voluntary aided schools of the Diocese are exempt charities that co-operate with the trust in providing education in partnership with the UK Government.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2012

REVIEW OF TRANSACTIONS AND FINANCIAL POSITION OF THE CHARITY

The Diocese commenced the run up to the Diocesan Golden Jubilee in May 2015 with the theme of worship and liturgy for its first season. Conscious of the great tradition and import of the term Jubilee, and drawing on the profound gifts of the Second Vatican Council of the Church, we will reflect on the life of our Diocese in its present situation in a spirit of continual reformation. In so doing we will explore the riches of the principal documents of the Council; encourage every member of the Diocese to pray, to reflect and to participate; recognise that the Church exists in the context of a wider society to which it is called; value the voice of experience and the depth of faith of all those who brought our local Church to where it is now, and recognise the centrality of our young people who carry our hopes into the future.

For the combined Diocesan Trust and thirty connected trusts, income for 2012 decreased to £23.4 and expenditure decreased to £21.1 million with the principal change to both being the transfer of Cranmore School to a new charity in 2011. In 2011, there was a net transfer of £3.1 million in funds out of the trust resulting from Cranmore School transferred out (£7.5 million) and connected trusts transferred in (£4.4 million); these were exceptional items that would not occur again. The net incoming resources, before changes in investment values, were £2.3 million (£2.1 million outgoing in 2011). The increase in value on investments was £1.5 million which restores the losses in 2011 of £0.9 million. There was a modest cash inflow of £0.1 million in contrast to last year's outflow of £3.0 million mainly due to the transfer of Cranmore School out of the Diocesan trust. The overall result was a net increase in funds of £3.8 million (£3.0 million decrease in 2011).

The income and expenditure of the Diocesan trust is set out in three principal groups: parishes, central agencies and charitable trading. The basis of charitable expenditure is made by reference to the Church's teaching on the purposes for holding its assets - provision for worship, ministry support, pastoral and community, and education. Pastoral and community includes grants to the poor and sick both in the UK and overseas. The thirty connected trusts are aggregated and set out in an identical format for charitable expenditure. The expenditure on charitable activities for the combined Diocesan trust and connected trusts shows the largest amount is spent on education (at 44%, a little lower than 2011 at 49%. Education is double the next highest amount - ministry support at 22% a little higher than last year at 19%). This is higher than the remaining two categories because ministry support includes the costs of clergy and lay staff.

The financial statements have been prepared in accordance with the principles set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" March 2005 (SORP 2005) issued by the Charity Commission for England and Wales and in accordance with the accounting policies of the Diocese.

THE CHURCH: PUBLIC BENEFIT

Our Lord Jesus Christ gave two great commandments when he told us to love both God and neighbour; as a Christian it is impossible to do one without the other. The first great commandment was *"You must love the Lord your God with all your heart, and with all your soul, and with all your mind, and with all your strength"* (Mark 12:29). This is the basis of our faith, and the culmination of our worship is the celebration of the Eucharist in our churches. Sunday is the principal day for worship but many of our churches are open all day and everyday. Our churches are available to all who wish to participate in the services or just "to be". Anyone can visit a church as a sacred space for peace and stillness in a frantic world in order to pray and feel the nearness of God.

We celebrate all the milestones in the lives of individuals, families and the community – birth with baptism, first communion to take part fully in the Eucharist, confirmation on the threshold of adulthood, marriage of a man and a woman to live together and bring up children, ordination as a priest or deacon, blessing the sick and commemorating the deceased at the funeral. Jesus told us to teach all nations, so a great cause of joy for Catholics is when an adult adopts the Catholic faith. Every Sunday the community comes together in our churches to celebrate the mystery of our faith – the death and resurrection of Our Lord Jesus Christ to bring all mankind back to God in faith and love. Here we kneel, pray and give thanks; here we praise Our Lord in song and prayer; here we ask for God's help and forgiveness in times of trouble and distress; here we entrust our children, our young, our families, the lonely, the infirm and the deceased to the goodness our Lord.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2012

THE CHURCH: PUBLIC BENEFIT – continued

Churches are still key buildings in the street scene of many towns and villages which would be the poorer without them. Because of its importance to us, the church is often constructed in striking architecture and embellished with beautiful artefacts and art - "ad majorem Dei gloriam". Our forefathers gave us our churches and all generations are responsible for their upkeep and decoration. A substantial proportion of our resources is committed to providing and maintaining churches.

Our parish communities are guided and led by our parish priests and clergy under the authority of the Bishop as his co-workers in Christ. Priests are key to the long term life of the church and are so important to us in celebrating all the holy mysteries. We actively promote vocations to the sacred office of the priesthood. Students to the priesthood undergo a programme of rigorous training and discernment over a six year period. Once ordained, priests are supported by their parish communities and are provided with parish accommodation. Priestly formation continues throughout a priest's ministry. Amongst the many duties of a parish priest are the teaching of the faith, celebration of services and the pastoral care of all he comes in contact with. In retirement from parochial duties, priests are looked after by the Diocese but are still able to continue their ministry.

Christ's second great commandment is as equally important as the first. "*And you must love your neighbour as yourself*" (Mark 12:31). From its very beginnings the Church made material and spiritual provision for the disadvantaged beyond its own. Indeed our present day notion of "charity" was formed out of the Christian tradition and is the wellspring of today's multifarious charities. Christian teaching has always promoted the importance of strong communities to support the family and individuals. As individuals we are taught to live lives of integrity, fidelity and altruism; this teaching has been the cornerstone for upholding the common good in our civic society for the last two thousand years. Parishes encourage community building and cohesion by allowing outside groups to use their halls for all sorts of social activities or meetings as well as education, sport, etc. Pope Emeritus Benedict in "*Deus caritas est*" summarised the impulse of love by: "The entire activity of the Church is an expression of a love that seeks the integral good of man: it seeks his evangelisation through Word and Sacrament, an undertaking that is often heroic in the way it is acted out in history: and it seeks to promote man in the various arenas of life and human activity. Love is therefore the service that the Church carries out in order to attend constantly to man's sufferings and his needs, including material needs". The newly elected Holy Father, Pope Francis, has re-emphasised the Church's option for the poor and the need for us all to lead simpler lives.

Care of neighbour continues today in our parishes and through the central agencies. Neighbour is interpreted as the whole human race and not merely those in the immediate location or who could reciprocate our generosity. Our parishes and chaplains, helped by the Central Agencies, reach out beyond their own membership in all manner of means – soup runs and feeding the homeless, Fair Trade initiatives, collections of money, food and clothes for the homeless in UK and overseas, assisting disabled adults and children in their daily lives, visiting the sick and elderly at home and in hospital, visiting prisoners and asylum seekers, counselling the bereaved and those with relationship difficulties, visiting faith and community schools - and many, many more examples. The Central Agencies and parishes make substantial grants to the disadvantaged in the UK and throughout the world. Although the considerable funds collected for third parties are not classified as church income for accounting purposes, in reality this money would not have been raised without the Church's existence and its active promotion. It is an established fact that churchgoers as a group are more likely than others to be involved in other community activities. For the Church, charity is not a kind of welfare activity which could equally well be left to others, but is a part of her nature, an indispensable expression of her very being.

In education a proportion of places are taken by children who are not Catholics in our maintained and independent schools and parish preschools. Our independent schools actively promote assisted places schemes to enable children from less well off backgrounds to attend their schools. The Diocesan special school receives children with severe learning difficulties from a wide area and of different denominations. The fees are mainly funded by local authorities with little contribution from parents. Whilst our parish preschools need a subsidy from the local authorities, they would not exist without the financial and voluntary efforts of Catholic parish communities.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2012

THE CHURCH: PUBLIC BENEFIT - continued

We work in partnership with our voluntary aided schools in the maintained sector where fees are not charged for education. Through the appointment of volunteer Foundation Governors by the Bishop to each of the maintained Catholic schools we help ensure the continuation of the Catholic ethos and help ensure these schools remain as educational beacons in the country.

The Trustees confirm that they have complied with the duty in the Charities Act 2011 section 17 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

DIOCESAN TRUST

For the Diocesan Trust, income for 2012 decreased to £23.3 and expenditure decreased to £20.9 million with the principal change to both being the transfer of Cranmore School to a new charity in 2011. In 2011, there was a net transfer of £12.1 million in funds out of the trust resulting from Cranmore School being set up as a new charity (£7.5 million) and parishes transferring assets to connected trusts (£4.6 million); these were exceptional items that would not occur again. In 2012, there was a net transfer of £0.8 million from parishes to connected trusts for building works. The net incoming resources, before changes in investment values, were £1.6 million (£11.2 million outgoing in 2011). The increase in value on investments was £1.2 million which restores the losses in 2011 of £0.9 million. The overall result was a net increase in funds of £2.8 million (£12.1 million decrease in 2011).

PARISHES

The majority of funds in the charity are raised and expended within each individual parish in support of its work. In addition to financing their own work, parishes also support the Diocese through the transfer of funds to cover both general and specific activities of the Diocese.

Our 98 canonically established parishes with their 129 churches are the bedrock of the Diocese. It is here that the faith of the laity is nurtured through celebrating Mass and the sacraments; this is their principal experience of church for worship. Parishes, together with schools and home, are the three pillars of the Church in supporting the faithful, their families and children. Parishes also celebrate Mass in 14 other churches owned by Orders or other Christian communities. Parishes expend considerable sums in running and maintaining such a large number of churches and regard this as an essential impost on their funds. Parishes call upon volunteer laity to assist in the care of their churches and other properties, though major maintenance work is contracted out.

Parishes fully support the material needs and accommodation of our 85 secular priests and 15 others from Orders and elsewhere in their ministry to the faithful and the community at large. Priests are supported in their work by paid and volunteer laity with the parish office usually located in the presbytery. Parish priests fulfil the principal role in a parish through the leadership, guidance and care of their community.

As outlined in "The Church - Public Benefit" above, parishes in particular reach out to the wider community to provide comfort, assistance and material help to the suffering in our world. As well as making charitable grants of £0.3 million parishes also took collections for third parties totalling £0.7 million. Community building and social cohesion is fundamental to developing a vibrant parish life. Parishes now put a strong emphasis on developing their parish halls with new or enhanced facilities. Most of the 100 parish halls are also regularly used by the local community for a vast range of activities.

Parishes work closely with their 64 local Catholic primary and secondary maintained schools. This is one of the three pillars of the Church in supporting the faithful, their families and children. Clergy visit schools to give spiritual and pastoral support and guidance to Governors, staff and pupils. Parishes also made grants of £0.5 million to school Governors for the maintenance and renewal of school buildings.

Redhill parish built a new parish hall and nursery school adjoining its church at a cost of £1.9 million. Chichester parish built a small meeting room on to its church in Bosham at a cost of £0.1 million. Godalming parish re-ordered meeting rooms in its church in Milford at a cost of £0.1 million.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2012

PARISHES – continued

Two parishes generously gave the Diocese a total of £0.6 million principally for the training of future priests and the Cathedral centre refurbishment.

The net surplus in funds was £1.7 million (£3.7 deficit million in 2011). Incoming resources at £13.1 million improved on last year's (£12.6 million) mainly due to an increase in land sales being completed. Expenditure at £9.5 million was below last year's (£10.2 million) due to reduced property repairs. Ministry support was the largest category of expenditure at £3.5 million, similar to last year's. Pastoral and community was the next largest form of charitable expenditure at £2.8 million slightly below last year's (£3.0 million). Within these expenditure headings, the largest item of expenditure in parishes was premises at £5.4 million (£6.5 million in 2011); new or replacement buildings in parishes were £2.9 million in fixed assets (£2.3 million in 2011). Transfers to the Diocese at £1.3 million were similar to last year's. Transfers to connected trusts were £0.8 million compared with £4.7 million last year. Parish funds increased to £47.7 million with tangible assets by cost value at £31.7 million of total parish funds.

The Diocese is encouraging parishes to implement a Planned Giving programme to provide a sustainable increase in offertory income. The parish Mass attendance of 40,838 in 2012 was similar to last year's at 40,236. In parishes, the principal source of income is the offertory collection taken at every Sunday Mass. The range of our parishes is illustrated by their offertory collections varying from £13,000 to £198,000. The average weekly offertory per mass attender was £2.80 (£2.77 in 2011). In aggregate the offertory increased by 2.5% over last year's – slightly below RPI inflation at 3.1%. This matches the trend of recent years where the increase in offertory is below inflation.

In January 2006 the Diocese published "Planning Parishes for 2010". This was the culmination of research since 2002 into the future shape of the Diocese and its parishes. The report set out the proposed deployment of priests based on an actuarial projection of declining clergy numbers. It was stressed that it was not itself a pastoral plan but it would nonetheless have pastoral implications. It summarised the consultation within the parishes and deaneries on the necessary management of change. Although the number of parish priests is diminishing we still have one of the highest numbers of priests relative to the number of massgoing faithful in the whole universal church. Most other countries have far larger parish populations. Since 2008 the Diocese has been reviewing the progress under the "2010" plan and at the same time started planning for 2020.

A rolling programme of consolidation of parishes is now in place and will run over a number of years. But the programme paused again in 2012 with no amalgamations taking place. In addition there are eighteen parishes served by nine parish priests. Two closed chapels are in the process of disposal.

"Planning Parishes for 2010" used projections by a consultant actuary of clergy numbers available for parochial and Diocesan work from 2003 until 2033. The actuary's conclusions were that the numbers of secular priests in parishes would decline by twenty in the first five years and by a further twenty over the following ten years – one third reduction from 118 to 78 priests in the fifteen years to 2018. Thereafter the decline is projected as more gradual but results with between 52 and 62 priests in 2033 - a reduction of half in thirty years. So the "2020" review will continue the process of managing with a continually diminishing number of secular priests to serve in our parishes – possibly 76 priests by 2020. The number of secular priests available for parochial or Diocesan work was predicted actuarially as 89 for 2012. This is for two ordinations a year and is slightly more pessimistic than the actual number of 96. The Diocesan Vocations Director runs programmes throughout the Diocese to help men discern whether they have a priestly vocation. In 2012 we had two ordinations to the priesthood and there were four students in training.

CENTRAL AGENCIES OF THE DIOCESE

The Bishop, advised by his clergy, decided to establish a Diocesan Pastoral Council in 2008. The Council is a consultative body set up to advise the Bishop on pastoral issues affecting our parishes and schools. The Council continued its deliberations in 2012. The Bishop greatly values the thoughtful input from the Council's membership as a means of reflecting the concerns and aspirations of the constituent members of the Diocese.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2012

CENTRAL AGENCIES OF THE DIOCESE – continued

The Bishop as shepherd and teacher is supported by the Curial departments and the Pastoral Team. The Diocesan Pastoral Team, based at the Christian Education Centre in Crawley, continues to work in partnership with the communities of the Diocese. The Pastoral Team comprises seven full or part time specialists who are all experienced parish workers; all are supported by priest advisers. Areas covered are: adult formation, justice & peace, liturgy, marriage & family life, mission & unity, social action, special needs support, and youth. The Diocese publicises the opportunities offered for training and support across the range of pastoral areas as well as information about specific events. Advisers work closely with their commissions to establish appropriate resources for parish groups. Enabling people in Arundel & Brighton to grow in and deepen their Catholic faith is at the heart of the mission of the Diocesan Pastoral Team; work that seeks to encourage them in faith formation, prayer and becoming more involved in the life of their parish/community. Advisers provide advice, training and resources within their own individual pastoral areas. They also work very well together when cooperation between pastoral areas seems appropriate or indeed with other agencies outside the Pastoral Team. A significant proportion of the work of the Pastoral Team takes place on evenings and weekends in parishes. Feedback indicates that parishes are appreciative of the professional approach and appropriate use of material demonstrated by advisers. The Pastoral Team undertook much work in developing the programme and materials for the Jubilee celebrations that commenced in autumn 2012.

The Safeguarding department ensures the National Safeguarding procedures of the Catholic Church in England and Wales are fully implemented in the Diocese and that good practice is promoted in the parishes. Induction and regular training is provided for parish safeguarding representatives and the necessary Disclosure and Barring Service checks are made on volunteers and clergy. In 2012, 1365 checks were processed on staff, clergy and volunteers working with children and vulnerable adults. The Safeguarding Co-ordinator and Priest Advisor report to the Safeguarding Commission and are responsible for dealing with allegations concerning children and vulnerable adults as well as managing offenders attending parish services and events. In 2013 the Safeguarding Office plans to assume responsibility for 19 Religious Orders who have aligned themselves to the Arundel & Brighton Safeguarding Commission. A support worker/counsellor is now available to work with victims and offenders.

The Diocesan Catholic Schools Service supports the work of our Catholic schools in their ministry. As a small team the Schools Service provides quality information, training, guidance and advice to headteachers, governors, clergy and parents. Principal tasks include monitoring and developing religious education, Section 48 inspections of schools, recruitment and retention of senior staff, governance, support of newly appointed heads, admissions, planning for school places and development and maintenance of school buildings. The Schools Service liaises with other Dioceses and various national bodies. In particular we work closely with the four local authorities covering our Diocese.

Very occasionally the Diocese has to support a school in difficulty. The Education Committee provides a focus for the development of education policies for the Diocese. The Coalition Government is actively promoting Academy status being adopted by all schools including Voluntary Aided schools. The Diocesan trustees, along with other Dioceses, have worked with the Catholic Education Service of England & Wales to develop an appropriate position. A single multi academy trust model has been developed by the Diocese in readiness for if, and when, governing bodies of suitable schools indicate they wish to convert.

In the last year a number of schools in the Diocese have expanded (or are in the process of expanding), predominantly through the 'Basic Need' programme for extra places being followed in respective local authorities. Such schools include St Dunstan's in Woking, St Joseph's in Guildford, The Marist in West Byfleet, St Francis in Caterham, St Joseph's in Haywards Heath, St Richard's in Chichester, St Mary's in Bognor, St Catherine's in Littlehampton and St Mary Magdalen's in Bexhill. Discussions are currently taking place with local authorities in the Diocese concerning expansion of a number of other primary and secondary schools. The Government continues to cut back on expenditure on school buildings other than on essential repairs and on meeting local population expansion.

The Diocesan Tribunal collates evidence and gives judgement on the annulment of marriages. Where applicable, it deals with marriage cases using documentary procedures, and it prepares marriage dissolution cases for submission to the Congregation for the Doctrine of Faith in Rome. In 2012, 76 new applications

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CENTRAL AGENCIES OF THE DIOCESE – continued

were received and 47 of the 87 cases being processed were completed. The Tribunal also prepares laicisation cases of clergy for submission to the Congregation for Clergy in Rome.

The Finance Office has instituted a standard accounts software package for parishes. Sixty percent of the parishes have now adopted it and this will facilitate bookkeeping and year end reporting to the Diocese. A training session in the year was attended by 10 participants.

During 2012 the Finance Office continued to promote the online recording system for Gift Aid donations that enables tax reclaims to be made during the tax year rather than wait till after tax year end. Parishes and schools are being encouraged to participate with over 80 engaged by year end.

Health & Safety continues to be promoted in the Diocese and its parishes. In 2012, a presentation was made in the annual Forum for Chairs of Parish Finance Committees to promote the online Safety Toolbox management system. This new system will help parishes maintain their records and promote an active health and safety culture. The system was launched in January 2013.

The ninth annual Forum for Chairs of Parish Finance Committees in November focused mainly on the auditor's reports on parish accounts, HMRC requirements for real time information, the implications of the Pensions Act 2008 for parishes, and the Gift Aid small donations scheme. The forum also included an examination of the Diocesan accounts for 2011 and the budget for 2013. The original purpose of the Forum is to augment dialogue between the Diocese and its parishes particularly on finance and property issues.

There was a net surplus of £0.9 million (£0.8 million deficit in 2011); this is largely due to property sales and an increase in investment values in the year. Education was the largest charity expenditure at £1.4 million compared with £0.9 million last year; this year's expenditure included a grant to a maintained school for a building project. Ministry support was the next largest charitable expenditure and this comprises the Bishop's establishment, the curia and the care of priests from training through to retirement from parochial duties; total cost at £0.9 million was below last year's at £1.3 million, largely due to a reduction in property maintenance. The overall funds of the Central Agencies increased to £21.1 million with £9.1 million in unrestricted funds excluding designated reserves. Tangible assets include at cost accounted for £8.0 million of total central funds. Continuing school projects largely accounted for the considerably overdrawn balance on the bank account.

CHARITABLE TRADING

In 2011, after some years of deliberation, and in consultation with the Governors, the Diocese decided to form Cranmore School in Surrey as a separate Catholic charity. It was felt that the school could prosper well as an independent entity. Assets of £7.5 million were transferred to the newly established trust. Safeguards are in place for the Diocese to be able to reclaim the assets of the school in certain circumstances.

The charitable trading of the Diocese comprised two independent schools, nine parish run pre-schools, St Cuthman's Retreat and Meeting Centre, and the Bookshop at the Christian Education Centre. All thirteen operations are an intrinsic part of the charitable activities of the Diocese. Overall the net income under charitable trading increased by £0.2 million compared with last year where the transfer of Cranmore school resulted in a deficit of £7.6 million. Total unrestricted funds increased to £3.0 million where tangible assets by cost value account for £2.2 million (£1.9 million in 2011) out of the total charitable trading funds.

The two independent schools were St. Joseph's Special School and College in Surrey and Sacred Heart Primary School in East Sussex. Both schools were in surplus at year end. These schools are not exclusively Catholic; we regard it as part of our mission to reach out to families of other denominations and faiths.

The parish pre-schools were located in Bexhill, St Mary's in Brighton, Burgess Hill, Chichester, Crawley, Ewell, Haywards Heath, Tadworth and Thames Ditton. The number of non-Catholic children on roll varies between 50% and 75%. The parish pre-schools incurred a deficit of £40,000 (£31,000 surplus in 2011) and are only viable with the aid of Government grants.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2012

CHARITABLE TRADING – continued

St Cuthman's is the retreat and meeting centre in Coolham run by the Diocese welcoming guests of all denominations and faiths or none, who seek time apart in a place of peace and prayer. People come for many reasons: seeking respite from difficult personal circumstances, to find renewal, and to grow in faith and make time to reflect and be open to God. All are welcome to join in morning and evening prayer and attend daily Mass. Provision is also made for those needing spiritual direction. Whilst individual retreats are the norm, St Cuthman's offers led residential retreats and Days of Prayer; these are always well attended. To maximise occupancy, group bookings are now taken throughout the year. "Quiet Days" for individuals or small groups in the house are now an established option for guests and a growing source of income.

The Garden Room offers a separate and self contained venue for larger day groups to attend non residential retreats, meetings and training sessions. In 2012 Diocesan users accounted for the majority of bookings of the Garden Room (school staff or governors, parish teams, clergy and RCIA groups etc). The Friends of St Cuthman's continue to give invaluable moral and financial support. The small team of volunteers continue to provide essential 'in-kind' support. During the winter months the house is closed for two days a week as it was underutilised from Sunday evening till Tuesday morning. The 2012 deficit of £62,000 (£5,000 in 2011) was higher than expected due to staff re-structuring and handover from the retiring Director to the two new co-Directors. The Diocese makes grants to St Cuthman's towards its costs in pastoral work for various Diocesan agencies. Deficits are covered by the Diocese.

The Christian Education Centre Bookshop in Crawley provides Catholics and others with a central resource for books, other media and sacred objects. The Bookshop made a loss of £9,000 (£15,000 in 2011); deficits have been covered by the Diocese.

VOLUNTEERS

Special mention should be made of the considerable number of volunteers who help in all aspects of the work of the Diocesan trust. Without their assistance our parishes in particular could not function. The Diocesan Trustees, parish clergy and our employees are most grateful to our volunteers for giving us so much time and effort. A typical parish has between 10% and 20% of its parishioners actively helping in all manner of voluntary roles from altar servers to financial accountants. Parishes do not only look inwardly to their own needs. Many parish volunteers give help to the sick, elderly, homeless and disadvantaged in their local areas through their parish organisations.

SUBSIDIARY COMPANY

The Diocese has a wholly owned subsidiary company, Diocese of Arundel & Brighton (Building Services) Ltd. The company was established to facilitate the management of building contracts for the Diocese. Its sales are only to the Diocese. The company provides its services approximately at cost, and therefore makes either a nil or minimal profit. For the year ended 31 December 2012, the turnover of the company was £2.5 million (£1.5 million in 2011) and the surplus was £7,000 (£15,000 in 2011).

CONNECTED CHARITIES

There are thirty charities connected to the Diocesan Trust with similar objectives and administration. All thirty trusts are now consolidated with the Diocesan accounts for reporting purposes only. The Charity Commission issued uniting directions dated 22 November 2004 and 31 March 2011 to simplify the trusts' administration. The connected trusts remain separate legal entities with their own objects and continue to hold their assets and funds under the control of their trustees. Details of the connected trusts are now reported on in notes to the accounts. In aggregate, the total value of the funds of the trusts at year end was £10.3 million, represented by £6.7 million in tangible assets, £3.5 million in investments and £0.1 million as cash at bank. The trusts made grants to the Diocese and parishes totalling £24,000 shown as transfers.

Arundel parish completed the complete refurbishment of its Cathedral Centre at an estimated cost of £0.9 million. The Diocesan trustees are most grateful to the Friends of Arundel Cathedral for their grant of £0.2 million and some parishes for their total grants of £0.2 million towards the costs of the project. Without these grants, the works to the Centre would have to have been severely cut back. Horsham parish undertook a re-

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2012

CONNECTED CHARITIES - continued

ordering of its church in order to increase seating capacity at a cost of £0.1 million. Oxted parish relocated its lych gate to a more prominent position at a cost of £50,000. These three projects are shown as grant transfers totalling £0.8 million from the respective parishes.

RISK ASSESSMENT

The Diocesan Trustees have assessed the major risks to which the Diocesan Trust is exposed, in particular, those related to the operation and finances of the trust, and are satisfied that the systems in place to mitigate our exposure to the major risks are operating effectively.

RESERVES

The Diocesan reserves are complex comprising general, designated, restricted and endowment funds across the parishes, central agencies and charitable trading. In 2007, the trustees considered and adopted the Charity Commission interpretation of parish funds. Parish funds previously shown as restricted are now treated as designated. The Diocese held free reserves at the end of the year that amounted to approximately two months' expenditure, one month more than 2011. Free reserves do not include designated funds and exclude fixed assets held for charitable use, as these assets could not be realised without undermining the Diocese's work. The Diocesan Trustees consider that this level of reserves is not excessive and anticipate that it is sufficient to enable the Diocese to fulfil all of its obligations and commitments and to finance the activities that it currently undertakes. In addition to continuing expenditure, the Diocesan Trustees have identified various long term funding requirements including training of clergy, clergy retirement, education and maintenance of parish properties. Designated funds have been set aside out of unrestricted reserves to cover these requirements.

INVESTMENT POLICY AND PERFORMANCE

The trust deed authorises the Diocesan Trustees to make and hold investments using the general funds of the Diocese without any restrictions. The investment objective of the Diocesan Trustees is that the real value of their assets should be maintained and enhanced over the long term by investment in a portfolio comprising equities, fixed income stocks and cash. The overall risk is assessed to be medium.

The investment managers manage the investment portfolio on a discretionary basis. The Diocese and investment managers meet periodically to review the portfolio holdings and its performance against targets. The ethical investment policy formulated by the Trustees states that "Investment is restricted to companies that are not predominately involved in the production of armaments, tobacco or abortion products". The fund managers have been instructed to comply with the ethical policy. The increase in value in 2012 was in line with similar charitable fund holdings and the stock markets, and reflects the continuing situation in the global markets since the onset of the recession in 2007. The trustees are satisfied with the performance of the investment portfolio.

The investments objectives for the connected trusts are the same as those for the Diocese. The investment managers manage the separate investment portfolios on an execution only basis.

GRANT MAKING POLICY

The Diocesan trust is not primarily a grant making charity. Most grants are of modest size. But sometimes large grants, duly authorised by the Trustees, are made to our voluntary aided schools to assist with capital projects.

THIRD PARTY COLLECTIONS

Third party collections are not controlled at the discretion of the Diocesan Trustees, and they are therefore not included in the results and balances of the charity. The laity responded generously to appeals and gave £0.7 million to various charities; this is close to trend. CAFOD was the greatest single beneficiary.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2012

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed dated 19th May 1967. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Diocesan Trustees on 8 July 2013 and signed as authorised on their behalf by:

The Right Reverend Kieran Conry
Bishop of Arundel & Brighton
Chairman of Diocesan Trustees

ARUNDEL AND BRIGHTON DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ARUNDEL AND BRIGHTON DIOCESAN TRUST

We have audited the financial statements of the Arundel & Brighton Diocesan Trust for the year ended 31 December 2012, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our work.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2012, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

haysmacintyre
Statutory Auditor
8 July 2013

Fairfax House
15 Fulwood Place
London WC1V 6AY

haysmacintyre is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR YEAR ENDED 31 DECEMBER 2012

| | Notes | DIOCESAN TRUST (for details see note 2) | | | | CONNECTED TRUSTS | | | TOTAL | 2011 |
|---|-------|--|------------|-----------|--------|------------------|-----------|--------|--------|---------|
| | | Unrestricted | Restricted | Endowment | Total | Restricted | Endowment | Total | | |
| | | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| INCOMING RESOURCES | | | | | | | | | | |
| Incoming Resources from Generated Funds | | | | | | | | | | |
| Voluntary Income | | | | | | | | | | |
| - Collections & Donations | 3 | 7,505 | 1,409 | | 8,914 | 3 | | 8,917 | 8,954 | |
| - Legacies | | 340 | 14 | | 354 | | | 354 | 696 | |
| - Grants | 4 | 0 | 251 | | 251 | 3 | | 254 | 308 | |
| Activities for generating Funds | | | | | | | | | | |
| - Fundraising - Events | | 637 | 160 | | 797 | | | 797 | 845 | |
| - Lettings | | 1,159 | | | 1,159 | 19 | | 1,178 | 1,035 | |
| - Investment Income | 5 | 624 | 93 | | 717 | 89 | | 806 | 827 | |
| Incoming Resources from Charitable Activities | | | | | | | | | | |
| - Fees and Sales | | 7,903 | | | 7,903 | | | 7,903 | 11,851 | |
| - Government Grants | 4 | 345 | | | 345 | | | 345 | 534 | |
| Other Income Resources | | | | | | | | | | |
| - Net Gain on Disposal of Assets | | 2,841 | | | 2,841 | | | 2,841 | 1,541 | |
| TOTAL INCOMING RESOURCES | | 21,354 | 1,927 | 0 | 23,281 | 114 | 0 | 114 | 23,395 | 26,591 |
| RESOURCES EXPENDED | | | | | | | | | | |
| Costs of Generating Funds | | | | | | | | | | |
| | 6 | 299 | 51 | | 350 | | | 350 | 340 | |
| Charitable Expenditure | | | | | | | | | | |
| - Provision for Worship | 7 | 2,173 | 643 | | 2,816 | 11 | 53 | 64 | 2,880 | 3,722 |
| - Ministry Support | | 3,541 | 985 | | 4,526 | 19 | 26 | 45 | 4,571 | 4,735 |
| - Pastoral & Community | | 3,551 | 455 | | 4,006 | 26 | 34 | 60 | 4,066 | 4,286 |
| - Education | | 8,900 | 181 | | 9,081 | 13 | | 13 | 9,094 | 12,390 |
| Governance Costs | | | | | | | | | | |
| | 9 | 140 | | | 140 | | | 140 | 165 | |
| TOTAL RESOURCES EXPENDED | | 18,604 | 2,315 | 0 | 20,919 | 69 | 113 | 182 | 21,101 | 25,638 |
| NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS | | 2,750 | (388) | 0 | 2,362 | 45 | (113) | (68) | 2,294 | 953 |
| Transfers - IntraDiocesan Trust | 13 | (337) | 337 | | 0 | | | 0 | 0 | 0 |
| Transfers - InterTrust | 13 | (800) | 24 | | (776) | 45 | 731 | 776 | 0 | (3,090) |
| NET INCOMING RESOURCES | | 1,613 | (27) | 0 | 1,586 | 90 | 618 | 708 | 2,294 | (2,137) |
| Gains & (Losses) in Investment Assets | | | | | | | | | | |
| | 14 | 1,083 | 82 | 64 | 1,229 | 47 | 212 | 259 | 1,488 | (908) |
| NET MOVEMENT ON FUNDS | | 2,696 | 55 | 64 | 2,815 | 137 | 830 | 967 | 3,782 | (3,045) |
| Funds Brought Forward | | 65,668 | 1,266 | 1,073 | 68,007 | 2,607 | 6,716 | 9,323 | 77,330 | 80,375 |
| FUNDS CARRIED FORWARD | | 68,364 | 1,321 | 1,137 | 70,822 | 2,744 | 7,546 | 10,290 | 81,112 | 77,330 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

Registered Charity No: 252878

BALANCE SHEET

AS AT 31 DECEMBER 2012

| Notes | PARISHES £000's | CENTRAL AGENCIES £000's | CHARITABLE TRADING £000's | TOTAL DIOCESE £000's | CONNECTED TRUSTS £000's | TOTAL £000's | 2011 £000's | |
|--|--------------------|-------------------------------|---------------------------------|----------------------------|-------------------------------|-----------------|----------------|--------|
| FIXED ASSETS | | | | | | | | |
| Tangible Assets | 15 | 31,718 | 8,020 | 2,178 | 41,916 | 6,657 | 48,573 | 45,406 |
| Investments | 14 | 3,287 | 14,794 | | 18,081 | 3,480 | 21,561 | 20,117 |
| | | 35,005 | 22,814 | 2,178 | 59,997 | 10,137 | 70,134 | 65,523 |
| CURRENT ASSETS | | | | | | | | |
| Debtors & Prepayments | 16 | 193 | 2,083 | 40 | 2,316 | | 2,316 | 2,069 |
| Cash at Bank and on Deposit | | 13,211 | (3,513) | 2,647 | 12,345 | 153 | 12,498 | 13,240 |
| | | 13,404 | (1,430) | 2,687 | 14,661 | 153 | 14,814 | 15,309 |
| Less: Creditors - amounts falling due within one year | 17.1 | 741 | 1,206 | 1,735 | 3,682 | | 3,682 | 3,173 |
| NET CURRENT ASSETS/LIABILITIES | | 12,663 | (2,636) | 952 | 10,979 | 153 | 11,132 | 12,136 |
| PARISH LOAN ACCOUNTS | | | | | | | | |
| Due from Parishes | | (10) | 10 | | 0 | | 0 | 0 |
| Due to Parishes | | 91 | (91) | | 0 | | 0 | 0 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 47,749 | 20,097 | 3,130 | 70,976 | 10,290 | 81,266 | 77,659 |
| Less: Creditors - amounts falling due after more than one year | 17.2 | | | 154 | 154 | | 154 | 329 |
| TOTAL NET ASSETS | 18 | 47,749 | 20,097 | 2,976 | 70,822 | 10,290 | 81,112 | 77,330 |
| FUNDS OF THE CHARITY | | | | | | | | |
| Unrestricted Funds | | | | | | | | |
| - General Funds | | | 9,096 | 2,829 | 11,925 | | 11,925 | 10,874 |
| - Designated Funds | 19.1 | 46,834 | 9,605 | | 56,439 | | 56,439 | 54,794 |
| Restricted Funds | 19.2-6 | 157 | 1,017 | 147 | 1,321 | 2,744 | 4,065 | 3,873 |
| Permanent Endowment | 19.3-8 | 758 | 379 | | 1,137 | 7,546 | 8,683 | 7,789 |
| TOTAL FUNDS | | 47,749 | 20,097 | 2,976 | 70,822 | 10,290 | 81,112 | 77,330 |

Approved by the Trustees on 8 July 2013 and signed as authorised on their behalf by:

The Right Reverend Kieran Conry
Bishop of Arundel and Brighton
Chairman of Trustees

ARUNDEL AND BRIGHTON DIOCESAN TRUST

CASHFLOW STATEMENT

FOR YEAR ENDED 31 DECEMBER 2012

| | 2012 | 2011 |
|---|--------------|----------------|
| | £000's | £000's |
| Reconciliation of Net Incoming/(Outgoing) Resources to Cash Inflow/(Outflow) from Operating Activities | | |
| Net Incoming/(Outgoing) Resources before Revaluations | 2,294 | (2,137) |
| Depreciation | 1,412 | 1,676 |
| Less Investment Income | (806) | (827) |
| Net (Gain) on Disposal of Fixed Assets | (2,841) | (1,541) |
| (Increase)/Decrease in Stocks | | 8 |
| (Increase)/Decrease in Debtors | (247) | 913 |
| Increase/(Decrease) in Creditors due within one year | 509 | (1,081) |
| Increase/(Decrease) in Creditors due after one year | (175) | (40) |
| | 146 | (3,029) |
| Net Cash Inflow/(Outflow) from Operating Activities | 146 | (3,029) |
| Returns on Investment and Servicing of Finance - Investment Income | 806 | 827 |
| Capital Expenditure and Investment (see note below) | (1,694) | (164) |
| | (742) | (2,366) |

ANALYSIS OF CHANGES IN CASH AT BANK AND IN HAND

| | 2012 Cashflow | 2011 Cashflow | 2010 |
|--------------------------|----------------------|----------------------|---------|
| | £000's | £000's | £000's |
| Cash at Bank and in Hand | 12,498 | (742) | 13,240 |
| | | | (2,366) |
| | | | 15,606 |

| | 2012 | 2011 |
|---|----------------|--------------|
| | £000's | £000's |
| Note on Capital Expenditure and Investment | | |
| Payments to Acquire Tangible Fixed Assets | (4,198) | (3,715) |
| Trust Tangible Assets Received | | (894) |
| Payments to Acquire Investments | (5,418) | (1,647) |
| Trust Investments Received | | (3,205) |
| Receipts from Disposal of Fixed Assets | 2,460 | 7,456 |
| Receipts from Disposal of Investments | 5,462 | 1,841 |
| | (1,694) | (164) |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Charities (Accounts and Reports) Regulations 2008, the Statement of Recommended Practice "Accounting and Reporting by Charities" March 2005 and with applicable accounting standards, issued by UK accountancy bodies. They are prepared on the historical cost basis of accounting as modified to include the revaluation of fixed assets including investments which are carried at market value.

All the turnover of the Diocese's wholly owned subsidiary, the Diocese of Arundel & Brighton (Building Services) Limited, represents sales of building construction to the Diocese. The subsidiary has no material net assets or liabilities and there is therefore no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary. The charity and its subsidiary are not consolidated.

1.1 Charitable Trading – Fees Receivable and Sales

Details of trading activities that the Diocese undertakes in the furtherance of its charitable objectives are set out in the notes. Fees receivable and sales of goods are accounted for in the period in which the relevant services or goods are provided or supplied.

1.2 Legacies and Donations

Legacies and donations are recognised when the Diocese becomes legally entitled to them and they can reasonably be measured in financial terms. Receipts of property, investments or other gifts in kind are included at market value.

1.3 Expenditure

Costs of generating funds comprise expenditure incurred by the charity in encouraging others to make contributions to it. Charitable expenditure consists of all expenditure directly relating to the objects of the Diocese. Governance costs are incurred by the trustees in the general running of the charity and include an estimate of time spent by the Finance Office in producing the statutory accounts of the charity and its subsidiary. Support costs are certain Finance Office costs which cannot be directly apportioned and are allocated on the basis of trustees' estimates of time spent on relevant functions. Irrecoverable VAT is included with the category of expense to which it relates.

1.4 Tangible Fixed Assets

Buildings held for use by the charity are included in the financial statements at original cost, where known, or at an estimate of original cost where actual figures are unavailable (see note 14). All new functional buildings, improvements and major renovations are capitalised where the cost of construction is greater than £50,000. Certain school properties owned by the Diocese are occupied and run by independent charities in the form of voluntary aided schools. There are significant legal restrictions on the disposal of these properties under education legislation. The Trustees consider their ownership to be in the nature of custodianship of the assets and these are therefore not capitalised in the financial statements. The estimated original costs of furniture, equipment and motor vehicles are included in the financial statements. Subsequent additions over £5,000 are capitalised at cost.

Depreciation is calculated by the straight line method to write off the cost/value, less anticipated residual value, over the expected useful lives of assets as follows:

| | |
|--|----------|
| Freehold and long leasehold buildings (excluding land) | 50 years |
| Furniture and equipment | 4 years |
| Motor vehicles | 4 years |

Realised gains/(losses) on disposal of fixed assets for charity use are included in the Statement of Financial Activities as an incoming resource/(additional depreciation). Unrealised gains and losses on fixed assets for charity use are included in the Statement of Financial Activities under gains and losses on revaluations and investment asset disposals.

1.5 Investments

Quoted investments are valued at their closing middle market price on the balance sheet date. Increases and decreases in market value are reflected in the Statement of Financial Activities.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES – continued

1.6 Current Assets

Stocks are stated at the lower of cost and net realisable value.

1.7 Voluntary Aided Schools Building Programme

The Diocese administers some projects on behalf of the Governors of voluntary aided schools which are exempt charities. The financial responsibility remains with the Governors. The income and expenditure is conduit funding and as such is excluded from the Financial Statements of the Trust. Any contributions from the Diocese or its parishes are recorded as grants to the Governors.

1.8 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

For the purpose of the civil administration of the charity, parishes are not distinct legal entities but branches forming part of the administrative machinery of the main Diocesan charity, albeit that they have a degree of independence. Parish funds and assets, unless held under distinct and express special trusts evidenced in law, will be part of the Diocesan charity and will be the responsibility of the Diocesan trustees. The trustees may under normal legal principles delegate their management to parish priests with limited authority. Such parish funds are designated funds within the unrestricted funds.

In canon law the parish is firmly set within the context of the Diocese C515(1) and the parish priest exercises his ministry under the authority of the Bishop C519. A parish erected in accordance with the law possesses public juridical personality by the law itself C515(3). In canon law the parish has the right to acquire, retain, administer and alienate temporal goods C1255 which as ecclesiastical goods are subject to the norms of canon law C1257(1).

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors or that have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

Income from commercial activities is included in the period that the charity is entitled to receipt.

1.9 Collections for Third Parties

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

1.10 Recognised gains or losses

All recognised gains or losses for year ended 31 December 2012 and 2011 are derived from continuing activities and are included in the Statement of Financial Activities.

1.11 Commitments

Commitments made by the Trustees that are legally binding have been accrued. Those that are not legally binding have not been charged to the accounts but are disclosed in the notes.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

2 STATEMENT OF FINANCIAL ACTIVITIES - details of Diocesan Trust

FOR YEAR ENDED 31 DECEMBER 2012

| | Notes | PARISHES | | | | CENTRAL AGENCIES | | | | CHARITABLE TRADING | | | TOTAL | 2011 |
|---|-------|--------------|------------|-----------|--------|------------------|------------|-----------|---------|--------------------|------------|--------|----------|----------|
| | | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Total | £000's | £000's |
| | | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| INCOMING RESOURCES | | | | | | | | | | | | | | |
| Incoming Resources from Generated Funds | | | | | | | | | | | | | | |
| Voluntary Income | | | | | | | | | | | | | | |
| - Collections & Donations | 3 | 7,497 | 1,240 | 8,737 | 2 | 5 | | 7 | 6 | 164 | 170 | 8,914 | 8,954 | |
| - Legacies | | 297 | 6 | 303 | 43 | 8 | | 51 | | | | 354 | 696 | |
| - Grants | 4 | | | 0 | | 251 | | 251 | | | | 251 | 308 | |
| Activities for generating Funds | | | | | | | | | | | | | | |
| - Fundraising - Events | | 623 | 160 | 783 | | | | | 14 | | 14 | 797 | 845 | |
| - Lettings | | 1,121 | | 1,121 | 38 | | | 38 | 0 | | 0 | 1,159 | 1,024 | |
| - Investment Income | 5 | 144 | 44 | 188 | 472 | 49 | | 521 | 8 | | 8 | 717 | 827 | |
| Incoming Resources from Charitable Activities | | | | | | | | | | | | | | |
| - Fees and Sales | | 469 | | 469 | 153 | | | 153 | 7,281 | | 7,281 | 7,903 | 11,851 | |
| - Government Grants | 4 | | | | | | | | 345 | | 345 | 345 | 534 | |
| Other Income Resources | | | | | | | | | | | | | | |
| - Net Gain on Disposal of Assets | | 1,540 | | 1,540 | 1,301 | | | 1,301 | | | | 2,841 | 1,541 | |
| TOTAL INCOMING RESOURCES | | 11,691 | 1,450 | 0 | 13,141 | 2,009 | 313 | 0 | 2,322 | 7,654 | 164 | 7,818 | 23,281 | 26,580 |
| RESOURCES EXPENDED | | | | | | | | | | | | | | |
| Costs of Generating Funds | | | | | | | | | | | | | | |
| | 6 | 144 | 51 | 195 | 155 | | | 155 | | | | 350 | 340 | |
| Charitable Expenditure | | | | | | | | | | | | | | |
| - Provision for Worship | 7 | 1,939 | 622 | 2,561 | 102 | 21 | | 123 | 132 | | 132 | 2,816 | 3,722 | |
| - Ministry Support | | 2,683 | 859 | 3,542 | 802 | 126 | | 928 | 56 | | 56 | 4,526 | 4,728 | |
| - Pastoral & Community | | 2,389 | 387 | 2,776 | 846 | 42 | | 888 | 316 | 26 | 342 | 4,006 | 4,286 | |
| - Education | | 423 | 29 | 452 | 1,381 | 11 | | 1,392 | 7,096 | 141 | 7,237 | 9,081 | 12,390 | |
| Governance Costs | | | | | | | | | | | | | | |
| | 9 | | | | 133 | | | 133 | 7 | | 7 | 140 | 165 | |
| TOTAL RESOURCES EXPENDED | | 7,578 | 1,948 | 0 | 9,526 | 3,419 | 200 | 0 | 3,619 | 7,607 | 167 | 7,774 | 20,919 | 25,631 |
| NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS | | 4,113 | (498) | 0 | 3,615 | (1,410) | 113 | 0 | (1,297) | 47 | (3) | 44 | 2,362 | 949 |
| Transfers - IntraDiocesan Trust | 13 | (1,789) | 486 | (1,303) | 1,328 | (149) | | 1,179 | 124 | | 124 | 0 | 0 | |
| Transfers - InterTrust | 13 | (800) | 12 | (788) | | 12 | | 12 | | | | (776) | (12,112) | |
| NET INCOMING RESOURCES | | 1,524 | 0 | 0 | 1,524 | (82) | (24) | 0 | (106) | 171 | (3) | 168 | 1,586 | (11,163) |
| Gains & (Losses) in Investment Assets | | | | | | | | | | | | | | |
| | 14 | 149 | 8 | 45 | 202 | 934 | 74 | 19 | 1,027 | | | 1,229 | (908) | |
| NET MOVEMENT ON FUNDS | | 1,673 | 8 | 45 | 1,726 | 852 | 50 | 19 | 921 | 171 | (3) | 168 | 2,815 | (12,071) |
| Funds Brought Forward | | 45,161 | 149 | 713 | 46,023 | 17,849 | 967 | 360 | 19,176 | 2,658 | 150 | 2,808 | 68,007 | 80,078 |
| FUNDS CARRIED FORWARD | | 46,834 | 157 | 758 | 47,749 | 18,701 | 1,017 | 379 | 20,097 | 2,829 | 147 | 2,976 | 70,822 | 68,007 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

3 COLLECTIONS AND DONATIONS

Parish offertory collections - net of Gift Aid tax rebate
 Donations - net of Gift Aid tax rebate
 Gift Aid tax rebate on collections and donations

TOTAL

| TOTAL | 2011 |
|--------------|--------------|
| £000's | £000's |
| 5,952 | 5,806 |
| 1,867 | 1,838 |
| 1,098 | 1,310 |
| 8,917 | 8,954 |

Increase in parish offertory collections %
 Annual inflation (RPI) % - for comparison purposes only
 Sunday Mass attendance in parishes across the Diocese
 Average weekly offertory per Mass attender
 Every year, for national statistics, all parishes measure Mass attendance as the average Sunday attendance during October.

| | |
|--------|--------|
| 2.5% | 2.4% |
| 3.1% | 4.8% |
| 40,838 | 40,236 |
| £2.80 | £2.77 |

4 GRANTS RECEIVABLE

Voluntary Income

GRANT MAKING BODY

PURPOSE

Parish Trusts
 Listed Places of Worship Grant Scheme
 Friends of Arundel Cathedral
 Diocesan Trusts
 Surrey University
 Moodie Prescott Trusts
 Secular Clergy Trusts
 Porticus
 Others

Support of various parishes
 Listed church repairs
 Cathedral support and repairs
 Historic Churches Committee
 Chaplaincy
 Training of priests
 Care of retired priests
 Pastoral initiatives

TOTAL

Charitable Activities

Department for Education
 Local Authorities

Special education school
 Preschool education

TOTAL

| TOTAL | 2011 |
|--------------|------------|
| £000's | £000's |
| | 5 |
| | 26 |
| 194 | 193 |
| 29 | 32 |
| 5 | 5 |
| 9 | 9 |
| 15 | 23 |
| | 8 |
| 2 | 7 |
| 254 | 308 |
| 126 | 252 |
| 219 | 282 |
| 345 | 534 |

5 INVESTMENT INCOME

Bank interest
 Listed investments

TOTAL

| Unrestricted | Restricted | Endowment | TOTAL | 2011 |
|--------------|------------|-----------|--------------|------------|
| £000's | £000's | £000's | £000's | £000's |
| 139 | | | 139 | 189 |
| 485 | 182 | | 667 | 638 |
| 624 | 182 | 0 | 806 | 827 |

6 COSTS OF GENERATING FUNDS

Bank charges and overdraft interest
 Fund management costs
 Parish events

TOTAL

| Unrestricted | Restricted | Endowment | TOTAL | 2011 |
|--------------|------------|-----------|--------------|------------|
| £000's | £000's | £000's | £000's | £000's |
| 76 | | | 76 | 86 |
| 84 | | | 84 | 76 |
| 139 | 51 | | 190 | 178 |
| 299 | 51 | 0 | 350 | 340 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

7 CHARITABLE EXPENDITURE

Provision for Worship

Our churches provide the sacred space for prayer, worship and the celebration of Mass. Overseas Diocesan missions bring the sacraments and Word of God to local people. Spiritual reading and resources for worship are available through the DABCEC Bookshop.

Ministry Support

Our clergy are trained and supported in their ministry and through retirement by the Diocese. They are housed and remunerated for their dedicated life to the Church and the local community. They are assisted in their ministry by paid laity as well as numerous volunteers - from cleaners to pastoral assistants.

Pastoral and Community

A diverse range of pastoral care and community support is provided by the Church. Parish halls are also available to the wider community. Aid is given to those in need, and the more fortunate are apprised of their duties and obligations to the poor.

Education

Schools are essential to the mission of the Church in nurturing the faith of our young people. Opportunities are provided for continuing education into adulthood.

| | Direct Personnel | Direct Premises | Direct Grants | Allocated Support | TOTAL | 2011 |
|---------------------------------|---------------------|--------------------|------------------|----------------------|---------------|---------------|
| | £000's | £000's | £000's | £000's | £000's | £000's |
| 7.1 PARISHES | | | | | | |
| Provision for Worship | | 2,539 | | 22 | 2,561 | 3,421 |
| Ministry Support | 2,373 | 1,136 | | 33 | 3,542 | 3,372 |
| Pastoral & Community | 663 | 1,749 | 331 | 33 | 2,776 | 2,960 |
| Education | | | 452 | | 452 | 271 |
| TOTAL PARISHES | 3,036 | 5,424 | 783 | 88 | 9,331 | 10,024 |
| 7.2 CENTRAL AGENCIES | | | | | | |
| Provision for Worship | 83 | 8 | 28 | 4 | 123 | 125 |
| Ministry Support | 386 | 475 | 34 | 33 | 928 | 1,288 |
| Pastoral & Community | 457 | 222 | 165 | 44 | 888 | 1,004 |
| Education | 558 | 134 | 678 | 22 | 1,392 | 910 |
| TOTAL CENTRAL AGENCIES | 1,484 | 839 | 905 | 103 | 3,331 | 3,327 |
| 7.3 CHARITABLE TRADING | | | | | | |
| Provision for Worship | 43 | 89 | | | 132 | 176 |
| Ministry Support | | 56 | | | 56 | 57 |
| Pastoral & Community | 274 | 53 | | 15 | 342 | 322 |
| Education | 5,690 | 1,540 | | 7 | 7,237 | 11,209 |
| TOTAL CHARITABLE TRADING | 6,007 | 1,738 | 0 | 22 | 7,767 | 11,764 |
| 7.4 CONNECTED TRUSTS | | | | | | |
| Provision for Worship | | 64 | | | 64 | |
| Ministry Support | | 45 | | | 45 | 18 |
| Pastoral & Community | | 60 | | | 60 | |
| Education | | | 13 | | 13 | |
| TOTAL CONNECTED TRUSTS | 0 | 169 | 13 | 0 | 182 | 18 |
| TOTAL | 10,527 | 8,170 | 1,701 | 213 | 20,611 | 25,133 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

7 CHARITABLE EXPENDITURE Continued

Personnel - staff (see note 11.1), travel and office costs.

Premises - depreciation (see note 15 for charge for year), property maintenance and establishment costs.

Grants - see note 8

Support - see note 10.

7.1.1 PARISHES' DETAILS

Provision for Worship

Our churches are the sacred space for our worship of Our Lord God, Jesus Christ. Our 98 parishes provide and maintain 129 churches and in addition we celebrate Mass in 14 other churches owned by Orders or other Christian communities. The care and running of churches is usually carried out by volunteers.

Ministry Support

Parishes support 85 Diocesan priests and 15 others from Orders or other Dioceses. Parishes house priests in presbyteries and fully sustain priests during their ministry of service to parishioners and the local community. Presbyteries often accommodate parish offices which are staffed by some paid employees and many volunteers.

Pastoral and Community

Parishes undertake innumerable activities in providing pastoral, social and material care to their parishioners, the local community and the world beyond. Parishes provide and maintain 100 halls for social purposes and these halls are available to the local community. Parishes made charitable grants of £0.8 million (£0.6 million in 2011). In addition, parishes collected £0.7 million for third parties (£0.8 million in 2011). See note 20.

Education

Parishes work with the Governors of maintained Catholic schools in providing spiritual and pastoral care to staff and students. Parishes financially support our maintained schools by making grants for property maintenance and building projects.

7.2.1 CENTRAL AGENCIES' DETAILS

| | TOTAL | 2011 |
|---------------------------------|--------------|--------------|
| | £000's | £000's |
| Provision for Worship | | |
| Missions | 35 | 35 |
| Liturgy & Unity | 88 | 90 |
| Ministry Support | | |
| The Bishop and Curia | 265 | 242 |
| Clergy Care | 178 | 235 |
| Clergy Training & Vocations | 118 | 165 |
| Retired Priests | 349 | 630 |
| Retired Housekeepers | 18 | 16 |
| Pastoral & Community | | |
| Pastoral Care | 707 | 819 |
| Poor & Sick | 62 | 70 |
| Chaplaincies | 119 | 115 |
| Education | | |
| Schools Service | 1,334 | 857 |
| Adult Formation | 58 | 53 |
| TOTAL | 3,331 | 3,327 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

7 CHARITABLE EXPENDITURE Continued

7.2.1 CENTRAL AGENCIES' DETAILS continued

Provision for Worship

Diocesan Missions: Diocesan priests are working as missionaries in Peru and Albania.

Liturgy & Unity: Programmes are run through parishes for liturgy and mission and unity by the Pastoral Team.

Ministry Support

The Bishop and Curia: The Bishop's residence and office are in Pease Pottage, and the Vicars General, Chancery and Marriage Tribunal offices are in Hove. The Bishop has several clergy commissions to advise him, such as, the Council of Priests, the College of Consultors and the Deans. The Vicars General and Chancellor assist the Bishop in the administration of the Diocese and the application of Canon Law. One Vicar General is responsible for all staff employment and personnel issues. The Marriage Tribunal collates evidence for the judgement of annulment cases.

Clergy Care: The clergy are so important that a wide range of pastoral and spiritual care is provided by the Diocese. Support is given for their physical health; spiritual help is available through sabbaticals. The Ministry to Priests programme exists to foster continuing formation, spiritual growth and companionship.

Clergy Training and Vocations: The Diocese actively promotes vocations to the clergy life. The training of our four priest students and five diaconate students is funded by the Diocese mainly in the seminaries at St Johns in Womersley and English College in Rome. One priest is undertaking further studies in the UK.

Retired Priests: There are 36 priests retired from parochial duties. Initially retired priests live in accommodation provided by the Diocese. In the later stages of life, some priests need care in private nursing homes.

Retired Housekeepers: Discretionary grants are given to alleviate poverty for some former housekeepers to priests.

Pastoral and Community

Pastoral Care: The Pastoral Team run programmes through parishes and schools for marriage and family life, justice and peace, deaf, learning disabilities, social action and youth. Safeguarding promotes good practice and guidance on selection, checking and appointment of parish personnel and clergy working with children and vulnerable adults. The Episcopal Vicar for Religious provides pastoral support to members of religious communities. The Diocese uses various modes of communication - press office, "A & B News" newspaper, Diocesan directory and Diocesan website. The Christian Education Centre has conference facilities and also houses the DABCEC bookshop.

Poor & Sick: Grants are made to assist UK hospices, poor religious communities, homelessness and poverty in UK and overseas.

Chaplaincies: There are four chaplaincies at the Universities of Royal Holloway London, Surrey, Sussex and Brighton. The Gatwick Airport chaplaincy provides pastoral and spiritual care to travellers and staff at the airport.

Education

Schools Service: The Diocese advises and supports our voluntary aided and private schools through monitoring and developing religious education, recruitment and retention of senior staff, governance and training, and the provision and improvement of school buildings and facilities. The Diocese makes grants to maintained schools.

Adult Formation: Programmes are run through parishes for adult education by the Pastoral Team.

7.3.1 CHARITABLE TRADING DETAILS

Provision for Worship

The DABCEC Bookshop in Crawley is a service to the Catholic community and beyond, and provides a wide range of spiritual resources. In 2012 the bookshop incurred a deficit of £9,000 covered by the Diocese (£15,000 in 2011).

Ministry Support

St Cuthman's Pastoral Centre provides retreats for retired priests.

Pastoral and Community

St Cuthman's Pastoral Centre is a haven of peace and a space for spiritual reflection and prayer; all are welcome. In 2012 St Cuthman's incurred a deficit of £62,000 covered by the Diocese (£5,000 in 2011). The deficit in 2012 is principally due to staff redundancies and changeover to new co-Directors.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

7 CHARITABLE EXPENDITURE Continued

7.3.1 CHARITABLE TRADING DETAILS continued

Education

St Joseph's Specialist School & College in Cranleigh educates boys and girls with learning difficulties from age 7 to 19; fees are paid by Local Authorities. In 2012 the school made a surplus of £99,000 (£432,000 in 2011).

Sacred Heart School in Wadhurst educates boys and girls from 3 to 11; fees are paid by the parents. In 2012 the school made a surplus of £111,000 (£84,000 in 2011).

Parish Pre-schools: Parishes run preschools in Bexhill, St Mary's Brighton, Burgess Hill, Chichester, Crawley, Ewell, Haywards Heath, Tadworth and Thames Ditton. Income comprised approximately equal amounts in fees paid by parents and Local Authority grants. The deficit in 2012 was £40,000 (£31,000 surplus in 2011).

7.4.1 CONNECTED TRUSTS

Provision for Worship

Provision of churches.

Ministry Support

Provision of accommodation for parish priests and for retired or disabled priests.

Pastoral and Community

Provision of parish halls.

Education

Grants to beneficiaries for education.

8 CHARITABLE GRANTS AND SCHOOL SUPPORT

8.1 GRANTS PAID OUT BY PARISHES

CAFOD
Missions
UK poor & sick
Poverty Alleviation in Less Developed Countries
Lourdes pilgrimage
Bishop's Conference

Maintained schools

TOTAL

| TOTAL | 2011 |
|--------------|------------|
| £000's | £000's |
| 8 | 22 |
| 11 | 19 |
| 56 | 50 |
| 120 | 84 |
| 4 | 4 |
| 132 | 132 |
| 452 | 271 |
| 783 | 582 |

8.2 GRANTS PAID OUT BY CENTRAL AGENCIES

Christian Unity organisations
Diocesan missions - Peruvian Diocese

Retired housekeepers assistance
Southwark Province Appeal Tribunal

UK poor & sick
Cabrini Childrens Society

Voluntary Aided School projects
Cranmore school bursary fund
National Catholic Education Service

TOTAL

| TOTAL | 2011 |
|--------------|------------|
| £000's | £000's |
| 18 | 18 |
| 10 | 10 |
| 26 | 32 |
| 8 | 5 |
| 60 | 67 |
| 105 | 105 |
| 665 | 9 |
| 13 | 250 |
| 13 | 9 |
| 905 | 505 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

8 CHARITABLE GRANTS AND SCHOOL SUPPORT Continued

8.3 SCHOOL SUPPORT AND GRANTS PROVIDED BY DIOCESE

National Catholic Education Service grant
 National Catholic Education Service collection
 Diocesan Schools Service
 Diocesan grants to maintained school projects
 Diocesan bank interest on maintained school projects
 Parish contributions to governors' funds of maintained schools
 Parish contribution to private school and preschools
 Diocesan grant to independent school bursary fund

| TOTAL | 2011 |
|--------------|--------------|
| £000's | £000's |
| 13 | 9 |
| 16 | 20 |
| 656 | 589 |
| 665 | 9 |
| 28 | 28 |
| 452 | 271 |
| 10 | 10 |
| | 250 |
| 1,840 | 1,186 |

TOTAL

Numbers of pupils enrolled in maintained schools
 Annual cost to Church of maintained school support for each pupil

| | |
|--------|--------|
| 26,999 | 26,934 |
| £67.8 | £34.4 |

8.4 MAINTAINED SCHOOL PROJECTS ADMINISTERED BY DIOCESE

Gross expenditure on projects before Government grants
 Number of projects administered by Diocese

| | |
|-------|-------|
| £0.6m | £1.6m |
| 7 | 9 |

9 GOVERNANCE COSTS

Professional fees:
 - Auditors
 - Accountancy for private schools
 - Legal
 - Property
 Finance Office costs
 Support

| TOTAL | 2011 |
|--------------|------------|
| £000's | £000's |
| 38 | 37 |
| 7 | 10 |
| 44 | 55 |
| 13 | 26 |
| 31 | 31 |
| 7 | 6 |
| 140 | 165 |

TOTAL

Finance Office costs are based on the trustees' estimate of staff time spent in producing the consolidated annual accounts for all the various components of the Diocesan trust and uniting direction trusts.

10 ALLOCATED SUPPORT COSTS

| | Parish | Central Agencies | Charitable Trading | TOTAL | 2011 |
|-----------------------|-----------|------------------|--------------------|--------------|------------|
| | £000's | £000's | £000's | £000's | £000's |
| Provision for worship | 22 | 4 | | 26 | 26 |
| Ministry support | 33 | 33 | | 66 | 66 |
| Pastoral & community | 33 | 44 | 15 | 92 | 91 |
| Education | | 22 | 7 | 29 | 29 |
| Governance | | 7 | | 7 | 6 |
| TOTAL | 88 | 110 | 22 | 220 | 218 |

The Finance Office offers general advice and help to all parishes, schools and central agencies. The Finance Office administers accounts, trusts, investments, banking, payroll, personnel, insurances, some school and parish projects, property management and transactions, legal matters, tax reclaims, parish assessments, parish administration manual, and health and safety. These costs have been allocated as support costs across the activities of the Trust based on the trustees' estimate of staff time spent on these activities as disclosed in note 1.3.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

11 STAFF INFORMATION

11.1 PERSONNEL COSTS

| | Parish £000's | Central Agencies £000's | Charitable Trading £000's | TOTAL £000's | 2011 £000's |
|--------------------------|------------------|-------------------------------|---------------------------------|------------------------|----------------|
| Employee Salaries | 1,083 | 953 | 5,176 | 7,212 | 9,543 |
| Social Security | 65 | 84 | 403 | 552 | 732 |
| Pension Costs | 70 | 99 | 230 | 399 | 705 |
| Total Employee Costs | 1,218 | 1,136 | 5,809 | 8,163 | 10,980 |
| Clergy & Religious Costs | 1,113 | 174 | | 1,287 | 1,242 |
| Travel & Office Costs | 705 | 174 | 198 | 1,077 | 1,196 |
| TOTAL | 3,036 | 1,484 | 6,007 | 10,527 | 13,418 |

Christmas and Easter Offerings are the principal source of income for parish priests and are included in Clergy & Religious Costs under parishes.

11.2 PENSION PAYMENTS

The Diocese contributes 15% of gross salary to a group personal pension scheme for staff members who elect to join. The scheme is a defined contributions scheme for which the Diocese is neither liable to finance any funding shortfall nor entitled to benefit from any over funding. There were no contributions outstanding at the year end (2011 nil).

Eligible teachers and former teachers subscribe to the Teachers' Pension Agency (TPA) superannuation scheme which is a defined benefits scheme. The employer's contribution is set by the TPA. The TPA represents a collective scheme as it is not possible to separately identify the assets and liabilities attributable to a particular employer. Hence the employer has neither a commitment to make good any actuarial deficit nor an entitlement to benefit from any over funding. Under the provisions of Financial Reporting Standard 17: Retirement Benefits the accounting treatment for the TPA scheme is as if the scheme were a defined contributions scheme. The contribution rate, set by the TPA, was 14.1% for the employer; employees contribute on a sliding scale against salary varying from 6.4% to 8.8%.

There were no contributions outstanding at the year end (2011 nil). Contributions to both schemes are shown in note 11.1 above.

11.3 STAFF NUMBERS

| | Parish | Central Agencies | Charitable Trading | TOTAL | 2011 |
|------------------------------------|--------|---------------------|-----------------------|--------------|------|
| Clergy & Religious | 145 | 7 | | 152 | 152 |
| Employees - average weekly numbers | 174 | 42 | 290 | 506 | 607 |
| | 319 | 49 | 290 | 658 | 759 |

Parish clergy with a central Diocesan role are only included in the parish figures

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

11 STAFF INFORMATION continued

11.4 EMPLOYEE EMOLUMENTS

| | Parish | Central Agencies | Charitable Trading | TOTAL | 2011 |
|------------------------------|--------|------------------|--------------------|-------|------|
| Between £60,001 and £70,000 | | | 3 | 3 | 4 |
| Between £70,001 and £80,000 | | 2 | | 2 | 3 |
| Between £80,001 and £90,000 | | | 1 | 1 | 1 |
| Between £90,001 and £100,000 | | | | | |

Contributions were made to the Teachers' Pension Agency for six higher paid employees. Contributions were made to the defined contributions scheme for one higher paid employee.

12 TRUSTEES' INFORMATION

The Trustees comprise four priests and one deacon of the Diocese and three laypeople as shown on page 1 of the Report. The priests receive income for their office together with living accommodation, living expenses and reimbursement of costs incurred on the same basis as other Diocesan priests. No Trustee receives any remuneration or benefits from his/her trusteeship other than cover under the indemnity insurance purchased by the charity. No Trustee received reimbursement for any expenses in the year (nil in 2011).

13 TRANSFERS

13.1 Levy. The Bishop is empowered to charge parishes a levy in proportion to their income. The Diocesan Levy is a contribution towards the general running costs of the Diocese.

13.2 Diocesan Services to Parishes. The Diocese supports parishes through the provision of various administrative and pastoral services.

13.3 Collections & Donations. Parishes are obliged to take some collections that are passed to the Diocese. Parishes also share some of their land sale proceeds or legacies with the Diocese to help training of priests.

13.4 Diocesan Subsidies to Parishes. The Diocese supports the Cathedral and other parishes mainly in property maintenance.

13.5 Diocesan/Parish Subsidies to Trading. The Diocese and parishes transfer funds to cover deficits incurred.

13.6 Restricted/Unrestricted Adjustments. Imbalances in parish funds are adjusted by transfers between unrestricted and restricted funds.

13.7 Support Costs. Finance Office costs in supporting parishes and charitable trading activities. See note 9.

13.8 Trusts. Parishes transfer funds to trusts in acquiring fixed assets. Trusts pay grants to Diocese and parishes for maintenance. In 2011 funds of twenty nine connected trusts were incorporated into Diocesan accounts for reporting purposes under Charity Commission uniting direction dated 31 March 2011. See note 19.4

13.9 Cranmore School West Horsley. In 2011 Cranmore School was established as a separate charity; all its assets were transferred to the new charity except for a cash transfer of £350,000 to the Diocese.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

13 TRANSFERS continued

A IntraDiocesan Transfers

| | PARISHES | | |
|---|------------------------|----------------------|-----------------|
| | Unrestricted £000's | Restricted £000's | Total £000's |
| 13.1 Levy | (1,431) | | (1,431) |
| Diocesan Levy | | | |
| 13.2 Diocesan Services to Parishes | | | |
| Gift Aid Charges | (120) | | (120) |
| Other Diocesan Services | (31) | | (31) |
| 13.3 Collections & Donations | | | |
| Collection - Diocesan Missions | | (20) | (20) |
| Collections - Clergy Training | | (38) | (38) |
| Collection - Retired Priests | | (19) | (19) |
| Foundation Masses | | (4) | (4) |
| Parish Donations for Training of Priests | (300) | | (300) |
| Parish Donations for Cathedral Centre Refurbishment | (171) | | (171) |
| Parish Donation to Diocese | (150) | | (150) |

| CENTRAL AGENCIES | | | |
|------------------|------------|--------|--------|
| Unrestricted | Restricted | Total | |
| £000's | £000's | £000's | £000's |
| 1,431 | | 1,431 | |
| 120 | | 120 | |
| 31 | | 31 | |
| | 20 | | 20 |
| | 38 | | 38 |
| | 19 | | 19 |
| | 4 | | 4 |
| 300 | | 300 | |
| 171 | | 171 | |
| 150 | | 150 | |
| | (29) | | (29) |
| (146) | (201) | (175) | |
| (57) | | (57) | 57 |
| (62) | | (62) | 62 |
| (9) | | (9) | 9 |
| | | | 10 |
| | | | (36) |
| | | | 22 |
| (567) | 567 | 0 | |
| 88 | | 88 | |
| (110) | | (110) | |

IntraDiocesan trust transfers

B InterTrust transfers

| CHARITY TRADING | | | |
|-----------------|--|--|--|
| Total | | | |
| £000's | | | |
| 124 | | | |

InterTrust transfers

| | PARISHES | | | CENTRAL AGENCIES | | | CHARITY TRADING | CONNECTED TRUSTS | | | TOTAL | 2011 |
|---|------------------------|----------------------|-----------------|------------------------|----------------------|-----------------|-----------------|----------------------|---------------------|-----------------|----------|----------------|
| | Unrestricted £000's | Restricted £000's | Total £000's | Unrestricted £000's | Restricted £000's | Total £000's | Total £000's | Restricted £000's | Endowment £000's | Total £000's | £000's | £000's |
| 13.1 Levy | (1,431) | | (1,431) | 1,431 | | 1,431 | | | | | 0 | 0 |
| Diocesan Levy | | | | | | | | | | | 0 | 0 |
| 13.2 Diocesan Services to Parishes | | | | | | | | | | | 0 | 0 |
| Gift Aid Charges | (120) | | (120) | 120 | | 120 | | | | | 0 | 0 |
| Other Diocesan Services | (31) | | (31) | 31 | | 31 | | | | | 0 | 0 |
| 13.3 Collections & Donations | | | | | | | | | | | 0 | 0 |
| Collection - Diocesan Missions | | (20) | (20) | | 20 | 20 | | | | | 0 | 0 |
| Collections - Clergy Training | | (38) | (38) | | 38 | 38 | | | | | 0 | 0 |
| Collection - Retired Priests | | (19) | (19) | | 19 | 19 | | | | | 0 | 0 |
| Foundation Masses | | (4) | (4) | | 4 | 4 | | | | | 0 | 0 |
| Parish Donations for Training of Priests | (300) | | (300) | 300 | | 300 | | | | | 0 | 0 |
| Parish Donations for Cathedral Centre Refurbishment | (171) | | (171) | 171 | | 171 | | | | | 0 | 0 |
| Parish Donation to Diocese | (150) | | (150) | 150 | | 150 | | | | | 0 | 0 |
| 13.4 Diocesan Subsidies to Parishes | | | | | | | | | | | 0 | 0 |
| Diocesan Grants to Parishes | 175 | | 175 | (146) | (29) | (175) | | | | | 0 | 0 |
| Diocesan Grant to Cathedral Parish | 692 | | 692 | (491) | (201) | (692) | | | | | 0 | 0 |
| 13.5 Diocesan/Parish Subsidies to Trading | | | | | | | | | | | 0 | 0 |
| St Cuthmans' Services to Diocese | | | | (57) | | (57) | 57 | | | | 0 | 0 |
| Diocesan Grant to St Cuthmans Centre | | | | (62) | | (62) | 62 | | | | 0 | 0 |
| Diocesan Grant to DABCEC Bookshop | | | | (9) | | (9) | 9 | | | | 0 | 0 |
| Parish Grant to Private School | (10) | | (10) | | | | 10 | | | | 0 | 0 |
| Pre-Schools Transfers to Parishes | 36 | | 36 | | | | (36) | | | | 0 | 0 |
| 13.6 Restricted/Unrestricted Adjustments | | | | | | | | | | | 0 | 0 |
| Transfers between Restricted & General Funds | (567) | 567 | 0 | | | | | | | | 0 | 0 |
| 13.7 Support Costs | 88 | | 88 | (110) | | (110) | 22 | | | | 0 | 0 |
| IntraDiocesan trust transfers | (1,789) | 486 | (1,303) | 1,328 | (149) | 1,179 | 124 | | 0 | 0 | 0 | 0 |
| B InterTrust transfers | | | | | | | | | | | | |
| 13.8 Trust funds incorporated (see note 19.4) | | | | | | | | | | | | |
| Parish transfers to trusts - tangible assets | (800) | | (800) | | | | | 92 | 708 | 800 | 0 | (113) |
| Trust transfers to Diocesan trust - grants | | 12 | 12 | | 12 | 12 | | (24) | | (24) | 0 | 0 |
| Charity Commission loan scheme repayments | | | | | | | | (23) | 23 | 0 | 0 | 0 |
| Inward transfers - tangible assets | | | | | | | | | | | 0 | 1,184 |
| - investments | | | | | | | | | | | 0 | 3,205 |
| - cash at bank | | | | | | | | | | | 0 | 98 |
| 13.9 Cranmore School new charity established | | | | | | | | | | | 0 | (7,464) |
| InterTrust transfers | (800) | 12 | (788) | 0 | 12 | 12 | 0 | 45 | 731 | 776 | 0 | (3,090) |
| TOTAL | (2,589) | 498 | (2,091) | 1,328 | (137) | 1,191 | 124 | 45 | 731 | 776 | 0 | (3,090) |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

14 INVESTMENTS

CONSOLIDATED HOLDINGS

Listed Investments:

- UK Bonds & Convertibles
- UK Equities
- Overseas Bonds & Convertibles
- Overseas Equities
- Cash Deposits

TOTAL INVESTMENTS

| PARISHES | | | |
|--------------|------------|------------|--------------|
| Unrestricted | Restricted | Endowment | Total |
| £000's | £000's | £000's | £000's |
| 591 | 54 | 192 | 837 |
| 1,277 | 64 | 393 | 1,734 |
| 132 | 17 | 47 | 196 |
| 346 | 19 | 117 | 482 |
| 26 | 3 | 9 | 38 |
| 2,372 | 157 | 758 | 3,287 |

| CENTRAL AGENCIES | | | |
|------------------|--------------|------------|---------------|
| Unrestricted | Restricted | Endowment | Total |
| £000's | £000's | £000's | £000's |
| 3,082 | 329 | 143 | 3,554 |
| 7,093 | 640 | 141 | 7,874 |
| 708 | 83 | 47 | 838 |
| 2,125 | 190 | 42 | 2,357 |
| 150 | 15 | 6 | 171 |
| 13,158 | 1,257 | 379 | 14,794 |

| CONNECTED TRUSTS | | | TOTAL | 2011 |
|------------------|--------------|--------------|---------------|---------------|
| Restricted | Endowment | Total | | |
| £000's | £000's | £000's | £000's | £000's |
| 363 | 719 | 1,082 | 5,473 | 5,257 |
| 374 | 2,010 | 2,384 | 11,992 | 11,303 |
| | | 0 | 1,034 | 669 |
| | 8 | 8 | 2,847 | 2,691 |
| 2 | 4 | 6 | 215 | 197 |
| 739 | 2,741 | 3,480 | 21,561 | 20,117 |

| SUMMARY OF INVESTMENTS | TOTAL | 2011 |
|--------------------------------------|----------------|----------------|
| | £000's | £000's |
| OPENING VALUATION 1 Jan 2012 | 20,117 | 18,014 |
| Acquisitions at Cost | 5,418 | 1,647 |
| Trust assets transferred in | | 3,205 |
| Proceeds of Sales | (5,462) | (1,841) |
| Gains/(Losses) during the year | 1,488 | (908) |
| CLOSING VALUATION 31 Dec 2012 | 21,561 | 20,117 |
| HISTORICAL COST (£'000s) | £16,354 | £16,152 |
| HOLDINGS GREATER THAN 5% | | |
| CCLA COIF Charities Investment Fund | 5.3% | 5.7% |
| 7.75% Treasury Loan 2015 | | |

| INVESTMENT PORTFOLIO - ANALYSIS | TOTAL | 2011 |
|---------------------------------|-------------|-------------|
| | % | % |
| Listed Investments: | | |
| - UK Bonds & Convertibles | 25 | 26 |
| - UK Equities | 56 | 56 |
| - Overseas Bonds & Convertibles | 5 | 3 |
| - Overseas Equities | 13 | 14 |
| - Cash Deposits | 1 | 1 |
| TOTAL INVESTMENTS | 100% | 100% |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

15 TANGIBLE FIXED ASSETS

| | PARISHES | | | | CENTRAL AGENCIES | | | | CHARITABLE TRADING | | | | CONNECTED TRUSTS | TOTAL | 2011 |
|----------------------------------|----------|----------|----------|--------|------------------|----------|----------|--------|--------------------|----------|----------|--------|------------------|---------|----------|
| | Freehold | Contents | Vehicles | Total | Freehold | Contents | Vehicles | Total | Freehold | Contents | Vehicles | Total | Freehold | TOTAL | 2011 |
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| CONSOLIDATED ASSETS | | | | | | | | | | | | | | | |
| COST OR VALUATION | | | | | | | | | | | | | | | |
| At 1 January | 40,858 | 2,269 | 51 | 43,178 | 9,234 | 378 | 0 | 9,612 | 2,233 | 241 | 110 | 2,584 | 7,897 | 63,271 | 70,207 |
| Additions | 2,595 | 292 | | 2,887 | 928 | 52 | | 980 | 260 | 63 | 8 | 331 | | 4,198 | 3,715 |
| Disposals | (50) | | | (50) | (466) | | | (466) | | | | | | (516) | (491) |
| Trust assets transferred in | | | | | | | | | | | | | 800 | 800 | 970 |
| Trust assets transferred out | | | | | | | | | | | | | | | (11,130) |
| At 31 December | 43,403 | 2,561 | 51 | 46,015 | 9,696 | 430 | 0 | 10,126 | 2,493 | 304 | 118 | 2,915 | 8,697 | 67,753 | 63,271 |
| DEPRECIATION | | | | | | | | | | | | | | | |
| At 1 January | 11,189 | 2,129 | 51 | 13,369 | 1,602 | 362 | 0 | 1,964 | 411 | 134 | 110 | 655 | 1,877 | 17,865 | 21,819 |
| Charge for year | 804 | 151 | | 955 | 188 | 24 | | 212 | 54 | 27 | 1 | 82 | 163 | 1,412 | 1,676 |
| Disposals | (27) | | | (27) | (70) | | | (70) | | | | | | (97) | (131) |
| Trust assets transferred in | | | | | | | | | | | | | | | 76 |
| Trust assets transferred out | | | | | | | | | | | | | | | (5,575) |
| At 31 December | 11,966 | 2,280 | 51 | 14,297 | 1,720 | 386 | 0 | 2,106 | 465 | 161 | 111 | 737 | 2,040 | 19,180 | 17,865 |
| NET BOOK VALUE | | | | | | | | | | | | | | | |
| At 31 December 2012 | 31,437 | 281 | 0 | 31,718 | 7,976 | 44 | 0 | 8,020 | 2,028 | 143 | 7 | 2,178 | 6,657 | 48,573 | 45,406 |
| At 1 January 2012 | 29,669 | 140 | 0 | 29,809 | 7,632 | 16 | 0 | 7,648 | 1,822 | 107 | 0 | 1,929 | 6,020 | 45,406 | 48,388 |
| Building Insurance Values | 294,888 | | | | 12,585 | | | | 8,708 | | | | | 316,181 | 308,915 |
| Number of Buildings | 305 | | | | 29 | | | | 12 | | | | 47 | 393 | 391 |

Insurance values for connected trust buildings are included in values for parishes and central agencies.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

15 TANGIBLE FIXED ASSETS Continued

In 2000 and 2001, £1.5 million of investment assets were re-allocated as functional, because the long term intention was to use them for clergy accommodation. These had been rented out as there had been no immediate accommodation requirement. In the absence of historical cost information, the trustees deemed the valuation to be a fair approximation of historical cost. This amount has therefore become the depreciable amount under FRS15.

Disposals - the cost of the asset and its accumulated depreciation is written off against fixed asset sales in the year the asset is declared redundant. This may precede the actual year of disposal.

The Diocese has 62 voluntary aided schools which are constituted as separate charities. The school properties (land and buildings) are vested in the Diocesan trustees or the trustees of three connected charities. These trustees cannot take a unilateral decision to dispose of these properties. Disposal can only occur if the school governors and the Secretary of State for Education decide that all or part of a school site is no longer required for education. In most circumstances, where a disposal occurs, the Secretary of State or the local authority may be entitled to recoup grant. Although no rights of ownership vest in the school governing body, most other rights and obligations, such as for the maintenance and repair of the school and its facilities, are passed to the governors. The Trustees therefore consider that, for the purposes of these Financial Statements, the nature of their ownership is that of a custodianship and therefore these properties have not been capitalised.

In addition, the Diocese leases two maintained schools from Orders. At 31 December 2012, the building insurance valuation for the 64 voluntary aided schools was £361 million. A further school is a joint Anglican/Roman Catholic foundation. The Diocesan Directory lists all 65 maintained schools owned, leased or jointly administered by the Diocese.

Apart from a small proportion used for management and administration, all fixed assets are used in direct furtherance of the charity's objects.

Assets of trusts are consolidated with the Diocesan accounts under Charity Commission uniting directions. See note 19.4. At year end 2011 net trust assets of £1.2 million were transferred in. In 2011, parishes net assets of £4.5 million were reallocated from unrestricted parish to restricted and permanent endowment trusts.

16 DEBTORS

| | TOTAL | 2011 |
|---|--------------|--------------|
| | £000's | £000's |
| School Grants and Other Amounts Recoverable (£1.3 million due after one year) | 1,902 | 1,485 |
| Other Debtors and Prepayments | 414 | 584 |
| TOTAL | 2,316 | 2,069 |

17 CREDITORS

| | TOTAL | 2011 |
|--|--------------|--------------|
| | £000's | £000's |
| 17.1 Creditors - amounts falling due within one year | | |
| Interest Free Loans | 218 | 316 |
| Amounts payable in connection with school projects | 732 | 244 |
| Parish Collections, Supplies and Accruals | 658 | 609 |
| Fees Paid in Advance | 1,603 | 1,683 |
| Other Creditors | 471 | 321 |
| TOTAL | 3,682 | 3,173 |
| Interest free loans are repayable on demand with a month's notice and do not have a repayment structure. | | |
| 17.2 Creditors - amounts falling due after more than one year | | |
| Refundable Fees Deposits | 154 | 329 |
| TOTAL | 154 | 329 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

18.1 DIOCESAN TRUST

| | PARISHES | | | | CENTRAL AGENCIES | | | | CHARITABLE TRADING | | | TOTAL | 2011 |
|----------------------------------|---------------|------------|------------|---------------|------------------|--------------|------------|---------------|--------------------|------------|--------------|---------------|---------------|
| | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Total | | |
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | | |
| Fixed Assets | 31,718 | | | 31,718 | 8,020 | | | 8,020 | 2,178 | | 2,178 | 41,916 | 39,386 |
| Investments | 2,372 | 157 | 758 | 3,287 | 13,158 | 1,257 | 379 | 14,794 | | | | 18,081 | 16,912 |
| Stock | | | | | | | | | | | | 0 | 0 |
| Debtors | 193 | | | 193 | 2,083 | | | 2,083 | 40 | | 40 | 2,316 | 2,069 |
| Cash at Bank | 13,211 | | | 13,211 | (3,273) | (240) | | (3,513) | 2,500 | 147 | 2,647 | 12,345 | 13,142 |
| Creditors | (741) | | | (741) | (1,206) | | | (1,206) | (1,735) | | (1,735) | (3,682) | (3,173) |
| Parish Loans - Due from Parishes | (10) | | | (10) | 10 | | | 10 | | | | 0 | 0 |
| - Due to Parishes | 91 | | | 91 | (91) | | | (91) | | | | 0 | 0 |
| Long Term Liabilities | | | | | | | | | (154) | | (154) | (154) | (329) |
| TOTAL NET ASSETS | 46,834 | 157 | 758 | 47,749 | 18,701 | 1,017 | 379 | 20,097 | 2,829 | 147 | 2,976 | 70,822 | 68,007 |

The trustees regard parish unrestricted funds as designated funds as explained in note 1.8

18.2 CONNECTED TRUSTS

| | Restricted Endowment | | TOTAL | 2011 |
|----------------------------------|----------------------|--------------|---------------|--------------|
| | £000's | £000's | | |
| Fixed Assets | 1,879 | 4,778 | 6,657 | 6,020 |
| Investments | 739 | 2,741 | 3,480 | 3,205 |
| Stock | | | | |
| Debtors | | | | |
| Cash at Bank | 126 | 27 | 153 | 98 |
| Creditors | | | | |
| Parish Loans - Due from Parishes | | | | |
| - Due to Parishes | | | | |
| Long Term Liabilities | | | | |
| TOTAL NET ASSETS | 2,744 | 7,546 | 10,290 | 9,323 |

Thirty connected trusts are consolidated under Charity Commission uniting directions for reporting purposes only. See note 19.4

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

19 FUNDS ANALYSIS

19.1 DESIGNATED FUNDS - DIOCESE AND PARISHES

The Trustees have set aside designated funds out of unrestricted funds to ensure that certain activities or responsibilities of the Trust are adequately financed.

| | Opening Balance | Incoming Resources | Expenditure | Investment Gains/(Losses) | Transfers | Closing Balance |
|--------------------------|------------------------|---------------------------|--------------------|----------------------------------|------------------|------------------------|
| | £000's | £000's | £000's | £000's | £000's | £000's |
| Diocese | | | | | | |
| Retired Priests | 7,769 | | (228) | | | 7,541 |
| Ecclesiastical Education | 336 | | (70) | | 300 | 566 |
| Education | 1,528 | | (694) | | 664 | 1,498 |
| Cathedral Centre | 0 | | (171) | | 171 | 0 |
| Parishes | 45,161 | 11,691 | (7,578) | 149 | (2,589) | 46,834 |
| TOTAL | 54,794 | 11,691 | (8,741) | 149 | (1,454) | 56,439 |

Retired Priests - to support priests in retirement with accommodation and nursing needs. Following a projection of financing requirements additional monies were transferred into the designated funds in 2007.

Ecclesiastical Education - for the education of students to the priesthood and continuing formation. Following a projection of financing requirements monies were returned to the unrestricted fund in 2007.

Education - to promote Catholic education predominantly in provision for VA schools following assessment in 2009. Restricted fund below has primacy in application.

Parishes - in canon law each parish has a distinct legal personality and is administered by the parish priest under the authority of the Bishop. In canon law a parish can acquire and dispose of assets in its own right.

Cathedral Centre. Parishes contributed funds towards the cost of refurbishment of the Cathedral Centre.

19.2 RESTRICTED FUNDS - DIOCESE AND PARISHES

Restricted funds of the charities are applied for specific purposes within the terms of the trusts.

| | Opening Balance | Incoming Resources | Expenditure | Investment Gains/(Losses) | Transfers | Closing Balance |
|---------------------------|------------------------|---------------------------|--------------------|----------------------------------|------------------|------------------------|
| | £000's | £000's | £000's | £000's | £000's | £000's |
| Diocese | | | | | | |
| Poor | 237 | 3 | (25) | 27 | | 242 |
| Foundation Masses | 317 | | | 22 | (9) | 330 |
| Education | 392 | 19 | (11) | 26 | | 426 |
| Ecclesiastical Education | 16 | 13 | (66) | | 51 | 14 |
| Others | 5 | 274 | (94) | (1) | (179) | 5 |
| Charitable Trading | 150 | 164 | (167) | | | 147 |
| Parishes | | | | | | |
| Parish Projects | 149 | 1,450 | (1,948) | 8 | 498 | 157 |
| TOTAL | 1,266 | 1,923 | (2,311) | 82 | 361 | 1,321 |

Poor - Aid to poor religious orders and laity

Foundation Masses - Clergy stipends for Masses celebrated on the anniversary of the deceased

Education - created by single donation to promote Catholic education. Expenditure comprises grants to VA schools, financial charges on school projects, and funding religious education advisers and Catholic Schools Service.

Ecclesiastical Education - created from legacies for training priests and promoting vocations to the priesthood.

Charitable Trading - raised for building projects

Parish projects - funds raised for specific parish building projects

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

19 FUNDS ANALYSIS Continued

19.3 PERMANENT ENDOWMENT - DIOCESE AND PARISHES

In permanently endowed funds the capital must be preserved; only the income may be expended.

| | Opening Balance | Incoming Resources | Expenditure | Investment Gains/(Losses) | Transfers | Closing Balance |
|--------------------------|------------------------|---------------------------|--------------------|----------------------------------|------------------|------------------------|
| | £000's | £000's | £000's | £000's | £000's | £000's |
| Diocese | | | | | | |
| Episcopal Administration | 289 | | | 14 | | 303 |
| Ecclesiastical Education | 71 | | | 5 | | 76 |
| Parishes | | | | | | |
| Parishes Support | 713 | | | 45 | | 758 |
| TOTAL | 1,073 | 0 | 0 | 64 | 0 | 1,137 |

Episcopal Administration - for support of the Bishop's establishment and office.

Ecclesiastical Education - for the training of students to the priesthood.

Parishes - for support of eight parishes

19.4 CHARITY COMMISSION UNITING DIRECTIONS FOR CONNECTED TRUSTS

The Charity Commission issued uniting directions dated 22 November 2004 and 31 March 2011 to simplify the administration of thirty connected trusts by consolidating their accounts with those of the Diocese's for reporting purposes only. All the trusts remain separate legal entities with their own objects and continue to hold their assets and funds under the control of their trustees.

Benefactors provided land and buildings for the use of parishes or the Diocese. Proceeds of land sales are invested. The parish area or Diocesan purpose and name of benefactor are given for each trust.

The Education Schools Land, Haywards Heath St Josephs and West Byfleet Marist trusts hold land and buildings for voluntary aided schools and are not included in the tables. See note 15 on assets held for voluntary aided schools.

19.5 RESTRICTED FUNDS - CONNECTED TRUSTS

| | Opening Balance | Incoming Resources | Expenditure | Investment Gains/(Losses) | Transfers | Closing Balance |
|--------------------------------------|------------------------|---------------------------|--------------------|----------------------------------|------------------|------------------------|
| | £000's | £000's | £000's | £000's | £000's | £000's |
| Trusts - Land only | | | | | | |
| Caterham - Stacpole | 286 | | (7) | | | 279 |
| Dorking - Norfolk | 2 | | | | | 2 |
| Godalming - Hyland | 63 | | (1) | | | 62 |
| Horsham - Norfolk | 707 | | (22) | | 92 | 777 |
| Keymer - Munster | 42 | | (1) | | | 41 |
| St Leonards - Grant | 147 | | (4) | | | 143 |
| Sutton Park - Salvin | 263 | | (6) | | | 257 |
| Worthing - Gaisford | 11 | | (1) | | | 10 |
| Retired Priests - Elmer | 59 | 6 | (2) | | (6) | 57 |
| Trusts - Land and Investments | | | | | | |
| Battle - Ashburnham | 613 | 13 | (9) | 24 | 0 | 641 |
| TOTAL | 2,193 | 19 | (53) | 24 | 86 | 2,269 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

19 FUNDS ANALYSIS Continued

19.6 PERMANENT ENDOWMENT - CONNECTED TRUSTS - RESTRICTED INCOME

| | Opening Balance | Incoming Resources | Expenditure | Investment Gains/(Losses) | Transfers | Closing Balance |
|--------------------------------------|-----------------|--------------------|-------------|---------------------------|-----------|-----------------|
| | £000's | £000's | £000's | £000's | £000's | £000's |
| Trusts - Land and Investments | | | | | | |
| Angmering - Norfolk | 359 | 13 | | 23 | (8) | 387 |
| Arundel - Norfolk Cemetery | 0 | 1 | | | (1) | 0 |
| Burwash - Cemetery | 0 | | | | | 0 |
| Crawley - Scawen Blunt | 17 | 29 | | | (21) | 25 |
| Hérons Ghyll - Hope | 16 | 10 | 1 | | | 27 |
| Houghton - Norfolk Cemetery | 0 | | | | | 0 |
| Oxted - Lang | 0 | | | | | 0 |
| Slindon - Leslie | (6) | 15 | (4) | | | 5 |
| Retired Priests - Buckley | 0 | 7 | | | (7) | 0 |
| Trusts - Investments only | | | | | | |
| Duncton - Bedingfeld | 5 | 5 | | | (3) | 7 |
| Duncton - Biddulph Education | 17 | 14 | (14) | | | 17 |
| Littlehampton - Norfolk 1901 | 6 | 3 | | | (2) | 7 |
| | 414 | 97 | (17) | 23 | (42) | 475 |

19.7 PERMANENT ENDOWMENT - CONNECTED TRUSTS

| | Opening Balance | Incoming Resources | Expenditure | Investment Gains/(Losses) | Transfers | Closing Balance |
|--------------------------------------|-----------------|--------------------|-------------|---------------------------|-----------|-----------------|
| | £000's | £000's | £000's | £000's | £000's | £000's |
| Trusts - Land only | | | | | | |
| Angmering - Norfolk | 0 | | | | | 0 |
| Arundel - Norfolk | 862 | | (21) | | | 841 |
| Duncton - Biddulph | 1 | | | | | 1 |
| Effingham - Pauling | 14 | | | | | 14 |
| Fairlight - Shadwell Cemetery | 0 | | | | | 0 |
| Littlehampton - Norfolk | 184 | | (5) | | | 179 |
| Retired Priests - Buckley | 290 | | (7) | | | 283 |
| Trusts - Land and Investments | | | | | | |
| Arundel - Norfolk Cemetery | 236 | | (17) | 4 | 658 | 881 |
| Burwash - Cemetery | 7 | | | (1) | | 6 |
| Crawley - Scawen Blunt | 2,651 | | (31) | 118 | 21 | 2,759 |
| Hérons Ghyll - Hope | 284 | | | 19 | | 303 |
| Houghton - Norfolk Cemetery | 4 | | | | | 4 |
| Oxted - Lang | 1,194 | | (28) | | 50 | 1,216 |
| Slindon - Leslie | 259 | | (4) | 6 | | 261 |
| Trusts - Investments only | | | | | | |
| Duncton - Bedingfeld | 148 | | | 12 | | 160 |
| Duncton - Biddulph Education | 411 | | | 40 | | 451 |
| Littlehampton - Norfolk 1901 | 171 | | | 14 | 2 | 187 |
| TOTAL | 6,716 | 0 | (113) | 212 | 731 | 7,546 |

The Angmering Norfolk and Fairlight Hastings Shadwell Cemetery trusts are land holdings only. In permanently endowed funds the capital must be preserved; only the income may be expended.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

19 FUNDS ANALYSIS Continued

19.8 BORROWINGS FROM PERMANENT ENDOWMENT FUNDS OF CONNECTED TRUSTS

The Charity Commission has issued five Schemes for three trusts permitting borrowings from their permanent endowment funds in order to finance building works in parishes. Loan repayments are made from the income of the trust over a set term.

| Trust | Term in years | Start date | Amount Borrowed £000's | Annual Repayment £000's | Balance Outstanding £000's |
|----------------------------|---------------|------------|---------------------------|----------------------------|-------------------------------|
| Crawley Scawen Blunt - 1 | 30 | 1986 | 395 | 13 | 53 |
| Crawley Scawen Blunt - 2 | 50 | 1995 | 300 | 6 | 198 |
| Crawley Scawen Blunt - 3 | 46 | 1999 | 60 | 1 | 43 |
| Littlehampton Norfolk 1901 | 30 | 1991 | 70 | 2 | 21 |
| Slindon - Leslie | 30 | 1986 | 9 | <1 | 1 |
| TOTAL | | | 834 | 23 | 316 |

20 THIRD PARTY COLLECTIONS PAID OUT

| | 2012 £000's | 2011 £000's |
|---|-----------------------|----------------|
| Apostleship of the Sea | 27 | 20 |
| Association of the Propagation of the Faith | 29 | 19 |
| CAFOD | 163 | 203 |
| Cabrini Childrens Society | 30 | 35 |
| Catholic Education Service | 16 | 20 |
| Enclosed Orders | 6 | 4 |
| Holy Places | 29 | 26 |
| Lourdes Pilgrimage | 26 | 24 |
| Mass Media Apostolate | 12 | 14 |
| Missions | 78 | 105 |
| Peters Pence | 13 | 16 |
| Poor | 54 | 47 |
| Sick | 40 | 27 |
| SVP | 22 | 21 |
| Life | 25 | 21 |
| Less Developed Countries | 106 | 130 |
| Day for Life | 12 | 11 |
| Racial Justice | 8 | 7 |
| Pax Christi | 12 | 10 |
| Others | 22 | 12 |
| TOTAL COLLECTIONS | 730 | 772 |

Parishes collect funds directly on behalf of third party beneficiaries. The monies raised are conduit funds and are excluded from the Diocesan accounts. See Note 1.9.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

21 COMMITMENTS GUARANTEES AND CONTINGENCIES

Capital commitments at 31 December 2012 amounted to £0.1 million on parish properties. In maintained schools, capital commitments amounted to £0.1 million gross (£0.1 million net of Government grants). Capital commitments in independent schools amounted to zero.

At 31 December 2011 capital commitments had amounted to £0.4 million net of relevant Government grants.

22 SUBSIDIARY COMPANY

DIOCESE OF ARUNDEL & BRIGHTON (BUILDING SERVICES) LIMITED

The wholly owned trading subsidiary was incorporated in the United Kingdom in 1991 (Reg No 2576444). The company manages building contracts on behalf of the Diocese. The Diocese owns all the issued share capital of two ordinary shares. A summary of the trading results is shown below.

All the turnover of the Diocese's wholly owned subsidiary, the Diocese of Arundel & Brighton (Building Services) Limited, represents sales of building construction to the Diocese. The subsidiary has no material net assets or liabilities and there is therefore no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity by itself and those of the group comprising the charity and its subsidiary. The charity and its subsidiary are not consolidated.

SUMMARY PROFIT AND LOSS ACCOUNT

| | 2012 | 2011 |
|--|-------------|-----------|
| | £000's | £000's |
| FOR YEAR ENDED 31 DECEMBER 2012 | | |
| Turnover | 2,530 | 1,465 |
| Less: Cost of Sales and Administrative Expenses | (2,523) | (1,450) |
| Retained Profit/(Loss) for the Year | 7 | 15 |
| The assets and liabilities of the subsidiary were: | | |
| Tangible Assets | 21 | 15 |
| Current assets | 295 | 95 |
| Creditors - amounts falling due within one year | (299) | (100) |
| Total Net Assets | 17 | 10 |
| Aggregate share capital and reserves | 17 | 10 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

23 FIVE YEAR FINANCIAL SUMMARY

STATEMENT OF FINANCIAL ACTIVITIES

INCOMING RESOURCES

Incoming Resources from Generated Funds

| | 2012 | 2011 | 2010 | 2009 | 2008 |
|---------------------------|--------|--------|--------|--------|--------|
| | £000's | £000's | £000's | £000's | £000's |
| - Collections & Donations | 8,917 | 8,954 | 8,682 | 8,483 | 8,146 |
| - Legacies | 354 | 696 | 805 | 356 | 1,310 |
| - Grants | 254 | 308 | 173 | 308 | 193 |
| - Fundraising - Events | 797 | 845 | 813 | 857 | 892 |
| - Lettings | 1,178 | 1,035 | 1,088 | 1,097 | 967 |
| - Investment Income | 806 | 827 | 775 | 1,028 | 1,626 |

Incoming Resources from Charitable Activities

| | | | | | |
|---------------------|-------|--------|--------|--------|-------|
| - Fees and Sales | 7,903 | 11,851 | 11,315 | 10,358 | 9,314 |
| - Government Grants | 345 | 534 | 549 | 376 | 334 |

Other Income Resources

| | | | | | |
|---|-------|-------|-------|----|-------|
| - Net Gain/(Loss) on Disposal of Assets | 2,841 | 1,541 | 2,852 | 23 | 5,491 |
|---|-------|-------|-------|----|-------|

TOTAL INCOMING RESOURCES

| | | | | | |
|--|--------|--------|--------|--------|--------|
| | 23,395 | 26,591 | 27,052 | 22,886 | 28,273 |
|--|--------|--------|--------|--------|--------|

RESOURCES EXPENDED

Costs of Generating Funds

| | | | | | |
|-----------------------|-------|--------|--------|--------|-------|
| Provision for Worship | 2,880 | 3,722 | 4,013 | 3,919 | 3,852 |
| Ministry Support | 4,571 | 4,735 | 4,646 | 4,452 | 4,439 |
| Pastoral & Community | 4,066 | 4,286 | 4,269 | 4,379 | 4,121 |
| Education | 9,094 | 12,390 | 12,993 | 11,318 | 9,789 |
| Governance Costs | 140 | 165 | 156 | 120 | 117 |

TOTAL RESOURCES EXPENDED

| | | | | | |
|--|--------|--------|--------|--------|--------|
| | 21,101 | 25,638 | 26,465 | 24,537 | 22,781 |
|--|--------|--------|--------|--------|--------|

NET INCOMING/(OUTGOING) RESOURCES

| | | | | | |
|--|-------|-----|-----|---------|-------|
| | 2,294 | 953 | 587 | (1,651) | 5,492 |
|--|-------|-----|-----|---------|-------|

Transfers

| | | | | | |
|-------------------------------------|-------|---------|-------|-------|---------|
| Gains/(Losses) in Investment Assets | 1,488 | (3,090) | 1,550 | 1,909 | (3,582) |
|-------------------------------------|-------|---------|-------|-------|---------|

NET MOVEMENT ON FUNDS

| | | | | | |
|--|-------|---------|-------|-----|-------|
| | 3,782 | (3,045) | 2,137 | 258 | 1,910 |
|--|-------|---------|-------|-----|-------|

BALANCE SHEET

ASSETS LESS CURRENT LIABILITIES

| | | | | | |
|-----------------------------|--------|--------|--------|--------|--------|
| Tangible Assets | 48,573 | 45,406 | 48,388 | 49,563 | 46,587 |
| Investments | 21,561 | 20,117 | 18,014 | 16,772 | 15,010 |
| Debtors | 2,316 | 2,069 | 2,990 | 7,374 | 4,358 |
| Cash at Bank and on Deposit | 12,498 | 13,240 | 15,606 | 7,529 | 15,670 |
| | 84,948 | 80,832 | 84,998 | 81,238 | 81,625 |

Deduct: Creditors due within one year

| | | | | | |
|--|-------|-------|-------|-------|-------|
| | 3,682 | 3,173 | 4,254 | 2,600 | 3,427 |
|--|-------|-------|-------|-------|-------|

Creditors due after one year

| | | | | | |
|--|-----|-----|-----|-----|-----|
| | 154 | 329 | 369 | 400 | 218 |
|--|-----|-----|-----|-----|-----|

NET ASSETS

| | | | | | |
|--|--------|--------|--------|--------|--------|
| | 81,112 | 77,330 | 80,375 | 78,238 | 77,980 |
|--|--------|--------|--------|--------|--------|

FUNDS OF CHARITY

Unrestricted Funds

| | | | | | |
|--------------------|--------|--------|--------|--------|--------|
| - General Funds | 11,925 | 10,874 | 18,617 | 17,845 | 16,425 |
| - Designated Funds | 56,439 | 54,794 | 58,669 | 57,819 | 58,838 |

Restricted Funds

| | | | | | |
|---------------------|-------|-------|-------|-------|-------|
| Permanent Endowment | 4,065 | 3,873 | 1,660 | 1,213 | 1,448 |
|---------------------|-------|-------|-------|-------|-------|

TOTAL FUNDS

| | | | | | |
|--|--------|--------|--------|--------|--------|
| | 81,112 | 77,330 | 80,375 | 78,238 | 77,980 |
|--|--------|--------|--------|--------|--------|

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

PARISHES

23.1 FIVE YEAR FINANCIAL SUMMARY continued

INCOMING RESOURCES

Incoming Resources from Generated Funds

- Collections & Donations

- Legacies

- Grants

- Fundraising - Events

- Lettings

- Investment Income

Incoming Resources from Charitable Activities

- Fees and Sales

- Government Grants

Other Income Resources

- Net Gain/(Loss) on Disposal of Assets

TOTAL INCOMING RESOURCES

RESOURCES EXPENDED

Costs of Generating Funds

Provision for Worship

Ministry Support

Pastoral & Community

Education

Governance Costs

TOTAL RESOURCES EXPENDED

NET INCOMING/(OUTGOING) RESOURCES

Transfers

Gains/(Losses) in Investment Assets

NET MOVEMENT ON FUNDS

BALANCE SHEET

ASSETS LESS CURRENT LIABILITIES

Tangible Assets

Investments

Debtors

Cash at Bank and on Deposit

Deduct: Creditors due within one year

Creditors due after one year

Parish Loans due (to) Diocese/Trading

Parish Loans due from Diocese/Trading

NET ASSETS

FUNDS OF CHARITY

Unrestricted Funds

- General Funds

- Designated Funds

Restricted Funds

Permanent Endowment

TOTAL FUNDS

| | 2012 | 2011 | 2010 | 2009 | 2008 |
|---|---------------|----------------|---------------|---------------|---------------|
| | £000's | £000's | £000's | £000's | £000's |
| INCOMING RESOURCES | | | | | |
| Incoming Resources from Generated Funds | | | | | |
| - Collections & Donations | 8,737 | 8,752 | 8,556 | 8,352 | 8,013 |
| - Legacies | 303 | 252 | 729 | 322 | 1,153 |
| - Grants | | 15 | 13 | 182 | 43 |
| - Fundraising - Events | 783 | 827 | 808 | 854 | 886 |
| - Lettings | 1,121 | 987 | 1,041 | 1,050 | 934 |
| - Investment Income | 188 | 209 | 151 | 222 | 531 |
| Incoming Resources from Charitable Activities | | | | | |
| - Fees and Sales | 469 | 364 | 432 | 377 | 317 |
| - Government Grants | | | | | |
| Other Income Resources | | | | | |
| - Net Gain/(Loss) on Disposal of Assets | 1,540 | 1,168 | 2,619 | 8 | 4,640 |
| TOTAL INCOMING RESOURCES | 13,141 | 12,574 | 14,349 | 11,367 | 16,517 |
| RESOURCES EXPENDED | | | | | |
| Costs of Generating Funds | 195 | 192 | 222 | 187 | 322 |
| Provision for Worship | 2,561 | 3,421 | 3,774 | 3,680 | 3,627 |
| Ministry Support | 3,542 | 3,372 | 3,375 | 3,307 | 3,374 |
| Pastoral & Community | 2,776 | 2,960 | 3,101 | 3,110 | 2,816 |
| Education | 452 | 271 | 188 | 836 | 333 |
| Governance Costs | | | | | |
| TOTAL RESOURCES EXPENDED | 9,526 | 10,216 | 10,660 | 11,120 | 10,472 |
| NET INCOMING/(OUTGOING) RESOURCES | 3,615 | 2,358 | 3,689 | 247 | 6,045 |
| Transfers | (2,091) | (5,856) | (1,229) | (1,302) | (994) |
| Gains/(Losses) in Investment Assets | 202 | (181) | 254 | 339 | (734) |
| NET MOVEMENT ON FUNDS | 1,726 | (3,679) | 2,714 | (716) | 4,317 |
| BALANCE SHEET | | | | | |
| ASSETS LESS CURRENT LIABILITIES | | | | | |
| Tangible Assets | 31,718 | 29,809 | 33,104 | 33,932 | 32,925 |
| Investments | 3,287 | 3,069 | 3,371 | 3,087 | 2,748 |
| Debtors | 193 | 142 | 121 | 57 | 664 |
| Cash at Bank and on Deposit | 13,211 | 13,497 | 13,632 | 10,354 | 11,844 |
| | 48,409 | 46,517 | 50,228 | 47,430 | 48,181 |
| Deduct: Creditors due within one year | 741 | 736 | 664 | 612 | 589 |
| Creditors due after one year | | | | | |
| Parish Loans due (to) Diocese/Trading | (10) | (2) | (14) | (1) | (5) |
| Parish Loans due from Diocese/Trading | 91 | 244 | 152 | 171 | 117 |
| NET ASSETS | 47,749 | 46,023 | 49,702 | 46,988 | 47,704 |
| FUNDS OF CHARITY | | | | | |
| Unrestricted Funds | | | | | |
| - General Funds | | | | | |
| - Designated Funds | 46,834 | 45,161 | 48,535 | 46,174 | 46,745 |
| Restricted Funds | 157 | 149 | 412 | 116 | 335 |
| Permanent Endowment | 758 | 713 | 755 | 698 | 624 |
| TOTAL FUNDS | 47,749 | 46,023 | 49,702 | 46,988 | 47,704 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

CENTRAL AGENCIES

23.2 FIVE YEAR FINANCIAL SUMMARY continued

INCOMING RESOURCES

Incoming Resources from Generated Funds

- Collections & Donations

- Legacies

- Grants

- Fundraising - Events

- Lettings

- Investment Income

Incoming Resources from Charitable Activities

- Fees and Sales

- Government Grants

Other Income Resources

- Net Gain/(Loss) on Disposal of Assets

TOTAL INCOMING RESOURCES

RESOURCES EXPENDED

Costs of Generating Funds

Provision for Worship

Ministry Support

Pastoral & Community

Education

Governance Costs

TOTAL RESOURCES EXPENDED

NET INCOMING/(OUTGOING) RESOURCES

Transfers

Gains/(Losses) in Investment Assets

NET MOVEMENT ON FUNDS

BALANCE SHEET

ASSETS LESS CURRENT LIABILITIES

Tangible Assets

Investments

Debtors

Cash at Bank and on Deposit

Deduct: Creditors due within one year

Creditors due after one year

Parish Loans due from Parishes

Parish Loans due (to) Parishes

NET ASSETS

FUNDS OF CHARITY

Unrestricted Funds

- General Funds

- Designated Funds

Restricted Funds

Permanent Endowment

TOTAL FUNDS

| | 2012 | 2011 | 2010 | 2009 | 2008 |
|---|----------------|----------------|----------------|----------------|----------------|
| | £000's | £000's | £000's | £000's | £000's |
| INCOMING RESOURCES | | | | | |
| Incoming Resources from Generated Funds | | | | | |
| - Collections & Donations | 7 | 43 | 32 | 26 | 14 |
| - Legacies | 51 | 444 | 75 | 34 | 157 |
| - Grants | 251 | 293 | 160 | 123 | 150 |
| - Fundraising - Events | | | | | |
| - Lettings | 38 | 33 | 42 | 43 | 29 |
| - Investment Income | 521 | 590 | 602 | 693 | 869 |
| Incoming Resources from Charitable Activities | | | | | |
| - Fees and Sales | 153 | 290 | 134 | 146 | 213 |
| - Government Grants | | | | | |
| Other Income Resources | | | | | |
| - Net Gain/(Loss) on Disposal of Assets | 1,301 | 373 | 233 | | 848 |
| TOTAL INCOMING RESOURCES | 2,322 | 2,066 | 1,278 | 1,065 | 2,280 |
| RESOURCES EXPENDED | | | | | |
| Costs of Generating Funds | 155 | 148 | 166 | 162 | 141 |
| Provision for Worship | 123 | 125 | 116 | 124 | 121 |
| Ministry Support | 928 | 1,299 | 1,209 | 1,132 | 1,049 |
| Pastoral & Community | 888 | 1,004 | 816 | 820 | 894 |
| Education | 1,392 | 910 | 1,890 | 617 | 1,010 |
| Governance Costs | 133 | 155 | 146 | 110 | 108 |
| TOTAL RESOURCES EXPENDED | 3,619 | 3,641 | 4,343 | 2,965 | 3,323 |
| NET INCOMING/(OUTGOING) RESOURCES | (1,297) | (1,575) | (3,065) | (1,900) | (1,043) |
| Transfers | 1,191 | 1,474 | 1,054 | 1,121 | 860 |
| Gains/(Losses) in Investment Assets | 1,027 | (727) | 1,296 | 1,570 | (2,848) |
| NET MOVEMENT ON FUNDS | 921 | (828) | (715) | 791 | (3,031) |
| BALANCE SHEET | | | | | |
| ASSETS LESS CURRENT LIABILITIES | | | | | |
| Tangible Assets | 8,020 | 7,648 | 7,932 | 8,120 | 6,588 |
| Investments | 14,794 | 13,843 | 14,643 | 13,685 | 12,262 |
| Debtors | 2,083 | 1,842 | 2,735 | 7,071 | 3,501 |
| Cash at Bank and on Deposit | (3,513) | (3,179) | (3,386) | (7,480) | (852) |
| | 21,384 | 20,154 | 21,924 | 21,396 | 21,499 |
| Deduct: Creditors due within one year | 1,206 | 736 | 1,782 | 507 | 1,459 |
| Creditors due after one year | | | | | |
| Parish Loans due from Parishes | 10 | 2 | 14 | 1 | 5 |
| Parish Loans due (to) Parishes | (91) | (244) | (152) | (171) | (117) |
| NET ASSETS | 20,097 | 19,176 | 20,004 | 20,719 | 19,928 |
| FUNDS OF CHARITY | | | | | |
| Unrestricted Funds | | | | | |
| - General Funds | 9,096 | 8,216 | 8,415 | 7,699 | 6,426 |
| - Designated Funds | 9,605 | 9,633 | 10,134 | 11,645 | 12,093 |
| Restricted Funds | 1,017 | 967 | 1,078 | 1,016 | 1,075 |
| Permanent Endowment | 379 | 360 | 377 | 359 | 334 |
| TOTAL FUNDS | 20,097 | 19,176 | 20,004 | 20,719 | 19,928 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

CHARITABLE TRADING

23.3 FIVE YEAR FINANCIAL SUMMARY continued

INCOMING RESOURCES

Incoming Resources from Generated Funds

- Collections & Donations

- Legacies

- Grants

- Fundraising - Events

- Lettings

- Investment Income

Incoming Resources from Charitable Activities

- Fees and Sales

- Government Grants

Other Income Resources

- Net Gain/(Loss) on Disposal of Assets

TOTAL INCOMING RESOURCES

RESOURCES EXPENDED

Costs of Generating Funds

Provision for Worship

Ministry Support

Pastoral & Community

Education

Governance Costs

TOTAL RESOURCES EXPENDED

NET INCOMING/(OUTGOING) RESOURCES

Transfers

Gains/(Losses) in Investment Assets

NET MOVEMENT ON FUNDS

BALANCE SHEET

ASSETS LESS CURRENT LIABILITIES

Tangible Assets

Investments

Debtors

Cash at Bank and on Deposit

Deduct: Creditors due within one year

 Creditors due after one year

Parish Loans due from Parishes

Parish Loans due (to) Parishes

NET ASSETS

FUNDS OF CHARITY

Unrestricted Funds

- General Funds

- Designated Funds

Restricted Funds

Permanent Endowment

TOTAL FUNDS

| | 2012 | 2011 | 2010 | 2009 | 2008 |
|---|--------------|----------------|---------------|---------------|---------------|
| | £000's | £000's | £000's | £000's | £000's |
| INCOMING RESOURCES | | | | | |
| Incoming Resources from Generated Funds | | | | | |
| - Collections & Donations | 170 | 159 | 94 | 105 | 119 |
| - Legacies | | | 1 | | |
| - Grants | | | | 3 | |
| - Fundraising - Events | 14 | 18 | 5 | 3 | 6 |
| - Lettings | | 4 | 5 | 4 | 4 |
| - Investment Income | 8 | 28 | 22 | 113 | 226 |
| Incoming Resources from Charitable Activities | | | | | |
| - Fees and Sales | 7,281 | 11,197 | 10,749 | 9,835 | 8,784 |
| - Government Grants | 345 | 534 | 549 | 376 | 334 |
| Other Income Resources | | | | | |
| - Net Gain/(Loss) on Disposal of Assets | | | | 15 | 3 |
| TOTAL INCOMING RESOURCES | 7,818 | 11,940 | 11,425 | 10,454 | 9,476 |
| RESOURCES EXPENDED | | | | | |
| Costs of Generating Funds | | | | | |
| Provision for Worship | 132 | 176 | 123 | 115 | 104 |
| Ministry Support | 56 | 57 | 55 | 6 | 9 |
| Pastoral & Community | 342 | 322 | 352 | 449 | 411 |
| Education | 7,237 | 11,209 | 10,915 | 9,865 | 8,446 |
| Governance Costs | 7 | 10 | 10 | 10 | 9 |
| TOTAL RESOURCES EXPENDED | 7,774 | 11,774 | 11,455 | 10,445 | 8,979 |
| NET INCOMING/(OUTGOING) RESOURCES | 44 | 166 | (30) | 9 | 497 |
| Transfers | 124 | (7,730) | 175 | 181 | 134 |
| Gains/(Losses) in Investment Assets | | | | | |
| NET MOVEMENT ON FUNDS | 168 | (7,564) | 145 | 190 | 631 |
| BALANCE SHEET | | | | | |
| ASSETS LESS CURRENT LIABILITIES | | | | | |
| Tangible Assets | 2,178 | 1,929 | 7,055 | 7,207 | 6,763 |
| Investments | | | | | |
| Debtors | 40 | 85 | 134 | 246 | 193 |
| Cash at Bank and on Deposit | 2,647 | 2,824 | 5,360 | 4,655 | 4,678 |
| | 4,865 | 4,838 | 12,549 | 12,108 | 11,634 |
| Deduct: Creditors due within one year | 1,735 | 1,701 | 1,808 | 1,481 | 1,379 |
| Creditors due after one year | 154 | 329 | 369 | 400 | 218 |
| Parish Loans due from Parishes | | | | | |
| Parish Loans due (to) Parishes | | | | | |
| NET ASSETS | 2,976 | 2,808 | 10,372 | 10,227 | 10,037 |
| FUNDS OF CHARITY | | | | | |
| Unrestricted Funds | | | | | |
| - General Funds | 2,829 | 2,658 | 10,202 | 10,146 | 9,999 |
| - Designated Funds | | | | | |
| Restricted Funds | 147 | 150 | 170 | 81 | 38 |
| Permanent Endowment | | | | | |
| TOTAL FUNDS | 2,976 | 2,808 | 10,372 | 10,227 | 10,037 |

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2012

CONNECTED TRUSTS

23.4 FIVE YEAR FINANCIAL SUMMARY continued

INCOMING RESOURCES

Incoming Resources from Generated Funds

- Collections & Donations
- Legacies
- Grants
- Fundraising - Events
 - Lettings
- Investment Income

Incoming Resources from Charitable Activities

- Fees and Sales
- Government Grants

Other Income Resources

- Net Gain/(Loss) on Disposal of Assets

TOTAL INCOMING RESOURCES

RESOURCES EXPENDED

Costs of Generating Funds

- Provision for Worship
- Ministry Support
- Pastoral & Community
- Education
- Governance Costs

TOTAL RESOURCES EXPENDED

NET INCOMING/(OUTGOING) RESOURCES

Transfers

Gains/(Losses) in Investment Assets

NET MOVEMENT ON FUNDS

BALANCE SHEET

ASSETS LESS CURRENT LIABILITIES

- Tangible Assets
- Investments
- Debtors
- Cash at Bank and on Deposit

Deduct: Creditors due within one year

Creditors due after one year

Parish Loans due from Parishes

Parish Loans due (to) Parishes

NET ASSETS

FUNDS OF CHARITY

Unrestricted Funds

- General Funds
- Designated Funds

Restricted Funds

Permanent Endowment

TOTAL FUNDS

| | 2012 | 2011 | 2010 | 2009 | 2008 |
|---|---------------|--------------|------------|------------|------------|
| | £000's | £000's | £000's | £000's | £000's |
| INCOMING RESOURCES | | | | | |
| Incoming Resources from Generated Funds | | | | | |
| - Collections & Donations | 3 | | | | |
| - Legacies | | | | | |
| - Grants | 3 | | | | |
| - Fundraising - Events | | | | | |
| - Lettings | 19 | 11 | | | |
| - Investment Income | 89 | | | | |
| Incoming Resources from Charitable Activities | | | | | |
| - Fees and Sales | | | | | |
| - Government Grants | | | | | |
| Other Income Resources | | | | | |
| - Net Gain/(Loss) on Disposal of Assets | | | | | |
| TOTAL INCOMING RESOURCES | 114 | 11 | 0 | 0 | 0 |
| RESOURCES EXPENDED | | | | | |
| Costs of Generating Funds | | | | | |
| Provision for Worship | 64 | | | | |
| Ministry Support | 45 | 7 | 7 | 7 | 7 |
| Pastoral & Community | 60 | | | | |
| Education | 13 | | | | |
| Governance Costs | | | | | |
| TOTAL RESOURCES EXPENDED | 182 | 7 | 7 | 7 | 7 |
| NET INCOMING/(OUTGOING) RESOURCES | (68) | 4 | (7) | (7) | (7) |
| Transfers | 776 | 9,022 | | | |
| Gains/(Losses) in Investment Assets | 259 | | | | |
| NET MOVEMENT ON FUNDS | 967 | 9,026 | (7) | (7) | (7) |
| BALANCE SHEET | | | | | |
| ASSETS LESS CURRENT LIABILITIES | | | | | |
| Tangible Assets | 6,657 | 6,020 | 297 | 304 | 311 |
| Investments | 3,480 | 3,205 | | | |
| Debtors | | | | | |
| Cash at Bank and on Deposit | 153 | 98 | | | |
| | 10,290 | 9,323 | 297 | 304 | 311 |
| Deduct: Creditors due within one year | | | | | |
| Creditors due after one year | | | | | |
| Parish Loans due from Parishes | | | | | |
| Parish Loans due (to) Parishes | | | | | |
| NET ASSETS | 10,290 | 9,323 | 297 | 304 | 311 |
| FUNDS OF CHARITY | | | | | |
| Unrestricted Funds | | | | | |
| - General Funds | | | | | |
| - Designated Funds | | | | | |
| Restricted Funds | 2,744 | 2,607 | | | |
| Permanent Endowment | 7,546 | 6,716 | 297 | 304 | 311 |
| TOTAL FUNDS | 10,290 | 9,323 | 297 | 304 | 311 |