

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 2014



**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 2014

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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
Hérons 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
Dorking Norfolk
Effingham Pauling
Godalming Hyland
Hastings Fairlight Shadwell Cemetery
Horsham Norfolk
Keymer Munster
Oxted Lang
St Leonards Grant
Sutton Park Salvin
West Byfleet Marist School
Worthing Gaisford

The following trusts consolidated their accounts with the Diocese's by resolution of their trustees:

Diocese Elmer
Haywards Heath St Joseph's School

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

LEGAL AND ADMINISTRATIVE DETAILS

TRUSTEES:

Right Reverend Richard Moth, Bishop of Arundel and Brighton (*installed 28 May 2015*)

Right Reverend Kieran Conry, Bishop Emeritus (*resigned 4 October 2014*)

E B Totman - Chairman
Reverend Monsignor Canon J O Hull
Reverend Monsignor M B O'Shea
Reverend Monsignor Canon J H Scott (*RIP 3 February 2014*)
Reverend Deacon M C Thoms
Mrs B A Brittain
A Campbell OBE KSG
T W Allen (*appointed 7 July 2014*)

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 – Chairman
Reverend Monsignor M B O'Shea
Reverend Deacon M C Thoms
T W Allen FCA
Mrs I Wragg FRICS
W Connell FCMA
J Cornish FRICS (*appointed 28 April 2014*)

SENIOR STAFF MEMBERS:

Finance: J F Brotherton
Education Service: Ms M Ryan
St Cuthman's Centre: Ms M-J Burkett

ADVISERS

AUDITORS:

haysmacintyre
26 Red Lion Square
London WC1R 4AG

SOLICITORS:

DMH Stallard
Gainsborough House
Pegler Way
Crawley
West Sussex RH11 7F

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 2014

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 95 parishes, 66 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. 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 four clergy and four 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 four trustees and three 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.

Education Committee. The committee comprises two trustees and ten others who have expertise in school education provided through the maintained 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 (maintained) 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 2014

REVIEW OF TRANSACTIONS AND FINANCIAL POSITION OF THE CHARITIES

The Diocese continued the run up to the Diocesan Golden Jubilee in May 2015 with the theme of the Constitution of the Church for its third season starting in autumn 2014. In 2015, the Diocese of Arundel and Brighton will celebrate the achievements of fifty years of faithful presence and practice by the clergy and people of the Catholic Church in this place. It will prepare for the future, mindful of the call to holiness, through prayerful reflection, renewal and rededication to its Gospel mission. This local church will deepen the understanding among its members of their unique, God-given role in the work of salvation, their place in the universal Church and in society. It will also begin the next 50 years with a recommitment to the Gospel message and the Christian mission to evangelise through word and deed, striving for unity and justice as the effective signs of salvation. There will be major celebrations in 2015 at Arundel Cathedral and in the Amex Community Stadium in Brighton.

For personal reasons, Bishop Kieran Conry resigned as Bishop and trustee on 4 October 2014. The Holy Father, Pope Francis, appointed Bishop Richard Moth of the Bishopric of the Forces as the new Bishop of Arundel & Brighton. He was installed at Arundel Cathedral on 28 May 2015. The Metropolitan, Archbishop Peter Smith of the Diocese of Southwark, had been appointed Apostolic Administrator during the interregnum.

For the combined Diocesan Trust and thirty connected trusts, income for 2014 reduced to £23.7 million through reduced property sales. Expenditure increased to £23.7 million, mainly through the Supported Living programme in St Joseph's Special School in Cranleigh. The net incoming resources, before changes in investment values, were £40,000 (£2.1 million in 2013). The increase in the value of investments was £0.4 million (£2.3 million in 2013). The overall result was a net increase in funds of £0.4 million (£4.4 million in 2013). There was a modest cash inflow of £0.2 million which followed the cash outflow of £0.3 million in 2013. Overall the funds of the combined trusts increased to £85.9 million (£85.5 million in 2013).

The income and expenditure of the Diocesan trust is set out in three principal components: 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%, up from 40% in 2013. The other three categories are roughly equal at around 20% each.

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

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 2014 decreased to £23.4 million with a reduction in land sales (£25.2 million in 2013). Expenditure increased to £23.5 million (£23.0 million in 2013) mainly through the Supported Living programme in St Joseph's Special School in Cranleigh. In 2014, there was an unrestricted transfer of £0.2 million to connected trusts for building works compared a minor inward transfer of grants to parishes last year. The net incoming resources, before changes in investment values, were a loss of £0.2 million (£2.2 million surplus in 2013). The increase in value on investments was £0.2 million (£1.9 million in 2013). The overall result was a net increase in funds of £4,000 (£4.2 million in 2013). The Government instituted the Gift Aid Small Donations Scheme and the first two years' grants are included at £0.3 million.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

PROVISION FOR WORSHIP

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 of our Lord.

Parishes

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 95 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.

Central Agencies

Diocesan Missions: Diocesan priests are working as missionaries in Peru and Greece. Liturgy & Unity: Programmes are run through parishes for liturgy and mission and unity by the Pastoral Team.

Charitable Trading

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 surplus of £10,000 (£6,000 loss in 2013).

MINISTRY SUPPORT

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.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

MINISTRY SUPPORT - continued

Parishes

Parishes fully support the material needs and accommodation of our 85 secular priests and 11 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.

Central Agencies

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 Chancellor assists the Bishop in the administration of the Diocese and the application of Canon Law. One trustee is responsible for all staff employment and personnel issues.

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 2014, 62 new applications were received and 37 of the 89 cases being processed were completed. The Tribunal also prepares laicisation cases of clergy for submission to the Congregation for Clergy in Rome.

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 two diaconate students is funded by the Diocese mainly in the seminaries at St John in Womersley and the English College in Rome. One priest is undertaking further studies in the UK.

Retired Priests: There are 31 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.

The Finance Office has instituted a standard accounts software package for parishes. Over sixty percent of the parishes have now adopted it and this will facilitate bookkeeping and year end reporting to the Diocese. During 2014 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 100 engaged by year end.

The eleventh annual Forum for Chairs of Parish Finance Committees in November focused mainly on the auditor's reports on parish accounts, copyright issues facing parishes, and the Gift Aid small donations scheme. The forum also included an examination of the Diocesan accounts for 2013 and the budget for 2015. The original purpose of the Forum is to augment dialogue between the Diocese and its parishes particularly on finance and property issues.

Charitable Trading

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

PASTORAL AND COMMUNITY

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 members. 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.

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PASTORAL AND COMMUNITY - continued

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 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.

Parishes

Parishes undertake innumerable activities in providing pastoral, social and material care to their parishioners, the local community and the world beyond. 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 99 parish halls are also regularly used by the local community for a vast range of activities.

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 £0.6 million (£0.5 million in 2013) parishes also took collections for third parties totalling £0.8 million (£0.9 million in 2013) – a total £1.4 million, similar to last year. See note 21 for third party collections.

Central Agencies

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. In 2014, the Pastoral Team comprised seven full or part time specialists who are all experienced parish workers and are supported by priest advisers. Areas covered are: adult formation, justice & peace, marriage & family life, 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 2013. Members of the Pastoral Team are heavily involved in planning events for the Diocesan Jubilee in 2015. In 2014, the Diocese held a second Festival at St Wilfrid's school Crawley as a practice run for the Jubilee event at the Amex Stadium in Brighton.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

PASTORAL AND COMMUNITY - continued

The Bishop, advised by his clergy, established 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 2014. 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. As described above the Pastoral Team works in the areas of justice & peace, marriage & family life, social action, special needs support, and youth.

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 (DBS) checks are made on volunteers and clergy. In 2014, 595 checks were processed on staff, clergy and volunteers working with children and vulnerable adults. This is lower than previous years but represents a drop only in re-checks pending the introduction in 2015 of eBulk, the electronic submission of DBS checks. 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 2014 the Safeguarding Office had responsibility for 20 Religious Orders who have aligned themselves to the Arundel & Brighton Safeguarding Commission. A Training Coordinator consultant delivers a training strategy and training package for volunteers across the diocese

There are four University chaplaincies – Brighton, Sussex, Surrey and London Royal Holloway. These are established to provide spiritual and pastoral support to students and staff at the universities. The chaplaincy at Gatwick Airport provides similar support to travellers and its staff. The Episcopal Vicar for Religious provides pastoral support to members of religious communities.

Health & Safety continues to be promoted in the Diocese and its parishes. In January 2013, the online Safety Toolbox management system was launched. Two seminars were run in the autumn to encourage its use by parishes. This new system will help parishes maintain their records and promote an active health and safety culture.

Communications: 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: The Diocese make grants to assist UK hospices, poor religious communities, homelessness and poverty in UK and overseas.

Charitable Trading

St Cuthman's Pastoral Centre is haven of peace and a space for spiritual reflection and prayer; all are welcome. In 2014 St Cuthman's incurred a deficit of £8,000 covered by the Diocese (£55,000 in 2013). There has been a noticeable increase in usage by guests and visitors.

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 2014 Diocesan users accounted for the majority of bookings of

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PASTORAL AND COMMUNITY - continued

the Garden Room (school staff or governors, parish teams, clergy and RCIA groups etc). Day guests can now be accommodated in the main house in the Library and Florence Allshorn room. 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. The Diocese makes grants to St Cuthman's towards its costs in pastoral work for various Diocesan agencies.

The Bothy was refurbished at a cost of £0.4 million and is now leased to the Arundel & Brighton Lourdes Pilgrimage Trust for offices and storage. This is an ideal use for a building that had been in danger of falling into disuse.

EDUCATION

The Church places great importance on the provision of education especially for our young people. But education continues throughout life and we provide opportunities for individuals with adult learning. 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.

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.

Parishes

Parishes work closely with their 65 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 £0.2 million, the same as last year, to school Governors for the maintenance and renewal of school buildings.

Central Agencies

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. The Diocese made a grant of £0.4 million towards a VA school project.

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 former Coalition Government had actively promoted 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 Diocesan multi-academy trust (MAT) model had been developed by the Diocese in readiness for if, and when, governing bodies of suitable schools indicate they wish to convert. However, in 2015, the trustees revisited the single Diocesan MAT concept and decided that clusters of local MAT's would be more appropriate.

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.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2014

EDUCATION - continued

Charitable Trading

The two independent schools and the parish pre-schools are not exclusively Catholic; we regard it as part of our mission to reach out to families of other denominations and faiths.

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. The school made a surplus of £511,000 (£450,000 in 2013). The Supported Living programme for young adults was established in Springvale House and is proving a great success. A second facility is being set up in Beare Green near Dorking where the Diocese has a nomination agreement to provide tenants. The nomination agreement is subject to a 25 year lease between the freehold owner and a housing association. The venture should generate a surplus but, nonetheless, the Diocese has a potential maximum aggregate liability of £175,000 for unpaid rents.

Sacred Heart School in Wadhurst educates boys and girls from 3 to 11; fees are paid by the parents. The school made a surplus of £64,000 (£34,000 in 2013). The recent construction of a new hall and classrooms has encouraged parents to send their children to the school.

The parish pre-schools are located in Bexhill, St Mary's in Brighton, Burgess Hill, Chichester, Crawley, Ewell, Haywards Heath, and Thames Ditton. The number of non-Catholic children on roll varies between 50% and 75%. The Tadworth parish pre-school closed in the summer of 2014 as it was no longer financially viable. The parish pre-schools generated a surplus of £8,000 (£9,000 deficit in 2013) and are only viable with the aid of Government grants and parish support.

FUTURE DEVELOPMENTS

The Diocese is encouraging parishes to implement a Planned Giving programme to provide a sustainable increase in offertory income. The parish Mass attendance of 40,334 in 2014 was similar to last year's at 40,590. 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 £16,000 to £188,000. The average weekly offertory per mass attender was fractionally higher at £2.84, compared with £2.78 in 2013. In aggregate the offertory increased by 1.5% from last year's; this restores the reduction in 2013. The trend in recent years is the increase in offertory has been 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 the future. A rolling programme of consolidation of parishes is now in place and will run over a number of years. There are now 95 parishes. Of these, there are twenty parishes served by ten 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 in future we 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 85 for 2014. This is for two ordinations a year and is close to the actual number of 91. The Diocesan Vocations Director runs programmes throughout the Diocese to help men discern whether they have a priestly vocation. In 2014 we had one ordination to the priesthood and currently there are four students in training.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

FINANCIAL REVIEW OF THE THREE COMPONENTS OF THE DIOCESAN TRUST

Parishes

Redhill parish completed construction of a new parish hall in Reigate at a cost at year end of £0.5 million. Banstead parish also completed an annexe to its existing hall at a cost of £0.2 million. Effingham parish commenced work on a parish room annex to its church at Fetcham. Cobham started to rebuild a new hall on the site of its old one. Hailsham parish started to build a new church alongside its existing one which will eventually become the parish hall. Storrington parish acquired a house as its new presbytery with a loan from the Diocese.

The net surplus in funds before transfers was £1.7 million (£2.2 million in 2013). Incoming resources at £12.5 million were reduced compared with last year's (£13.6 million) due to lower land sales. Expenditure at £10.8 million was also lower than last year's (£11.3 million) due to reduced property repairs.

Ministry support was the largest category of expenditure at £3.5 million, much the same as last year's at £3.6 million. Provision for worship was the next largest form of charitable expenditure at £3.4 million much reduced from last year's at £3.7 million. Within these expenditure headings, the largest item of expenditure in parishes was premises at £6.9 million (£7.5 million in 2013); new or replacement buildings in parishes were £2.1 million in fixed assets (£0.9 million in 2013). The combined expenditure on premises and new build at £9.0 million was higher than last year's at £8.4 million. Transfers to the Diocese at £1.2 million were down from last year's at £1.5 million. Transfers between parishes and connected trusts were £0.2 million compared with a minor amount last year. Parish funds increased to £49.2 million with tangible assets by cost value at £32.7 million of total parish funds.

Central Agencies

There was a net deficit of £0.9 million (£2.6 million surplus in 2013); this is due to the loss incurred on land sale in connected with a school project and a one-off significant donation of a chaplaincy property last year. As a result Education expenditure increased to £1.2 million compared with £0.7 million last year. Ministry support was the next largest charitable expenditure at £0.9 million, the same as the previous year. The overall funds of the central agencies decreased to £21.7 million with £11.8 million in unrestricted funds excluding designated reserves. Tangible assets by cost value accounted for £7.0 million of total central funds.

Charitable Trading

The charitable trading of the Diocese comprised two independent schools, eight parish run pre-schools, St Cuthman's Retreat and Meeting Centre, and the Bookshop at the Christian Education Centre. All twelve operations are an intrinsic part of the charitable activities of the Diocese. Overall the net income under charitable trading increased to £0.6 million compared with last year's at £0.5 million. Total unrestricted funds increased to £4.0 million where tangible assets by cost value account for £2.4 million out of the total charitable trading funds.

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 a minimal profit or loss. For the year ended 31 December 2014, the turnover of the company was £1.3 million (£0.8 million in 2013) and the deficit was £7,000 (£14,000 in 2013).

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

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 4 August 2004 and 31 March 2011 to simplify the trusts' administration. The trustees of two trusts resolved to consolidate their accounts with the Diocese's. 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. In every case, benefactors had generously donated land, buildings and sometimes cash to help establish parishes, schools or accommodation for retired priests with the Bishop's permission. Most originate from the late 19th or early 20th centuries.

Sixteen trusts hold restricted funds and fourteen are permanent endowment. Twenty-two trusts provide land and buildings for parishes, five provide land for schools and two provide accommodation for retired priests. Seven trusts also hold investments in addition to land and buildings, and three trusts solely hold investments. The income is applied for the purposes of the respective trusts. The investments had all derived from land sales.

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 £10.9 million, represented by £6.5 million in tangible assets, £4.0 million in investments and £0.4 million as cash at bank. The trusts made grants to the Diocese and parishes totalling £63,000 shown as inter-trust transfers. Horsham parish completed the second phase of its re-ordering of its church in order to increase seating capacity and improve facilities. The cost of £204,000 is shown as a fixed asset transfer to the trust.

The connected trusts provide the land and church buildings for parishes who maintain the properties.

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 six months' expenditure, up from five months in 2013. 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".

ARUNDEL AND BRIGHTON DIOCESAN TRUST

REPORT OF THE CHARITY TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

INVESTMENT POLICY AND PERFORMANCE - continued

The fund managers have been instructed to comply with the ethical policy. The increase in value in 2014 was in line with similar charitable fund holdings and the stock markets, and reflects the continuing improvement 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 maintained 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 £0.8 million to various charities; this is close to trend. CAFOD was the greatest single beneficiary for its work in less developed countries.

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 13 July 2015 and signed as authorised on their behalf by:

The Right Reverend Richard Moth
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 2014, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

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 2014, 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
13 July 2015

26 Red Lion Square
London WC1R 4AG

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 2014

	Notes	DIOCESAN TRUST (for details see note 2)				CONNECTED TRUSTS			TOTAL	2013
		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	4	7,752	1,511		9,263	5		5	9,268	10,034
- Legacies		551	98		649				649	843
- Grants	5	337	143		480				480	107
Activities for generating Funds										
- Fundraising - Events		630	183		813				813	895
- Lettings		1,260			1,260	16		16	1,276	1,282
- Investment Income	6	673	105		778	92		92	870	966
Incoming Resources from Charitable Activities										
- Fees and Sales		9,655			9,655				9,655	9,002
- Government Grants	5	520			520				520	393
Other Income Resources										
- Net Gain on Disposal of Assets		29			29	175		175	204	1,751
TOTAL INCOMING RESOURCES		21,407	2,040	0	23,447	288	0	288	23,735	25,273
RESOURCES EXPENDED										
Costs of Generating Funds	7	322	106		428				428	391
Charitable Expenditure	8									
- Provision for Worship		2,788	909		3,697	19	53	72	3,769	4,062
- Ministry Support		3,497	1,002		4,499	18	26	44	4,543	4,635
- Pastoral & Community		3,916	659		4,575	25	34	59	4,634	4,930
- Education		10,015	186		10,201	7		7	10,208	9,019
Governance Costs	10	113			113				113	105
TOTAL RESOURCES EXPENDED		20,651	2,862	0	23,513	69	113	182	23,695	23,142
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		756	(822)	0	(66)	219	(113)	106	40	2,131
Transfers - IntraDiocesan Trust	14	133	(133)		0			0	0	0
Transfers - InterTrust	14	(204)	63		(141)	118	23	141	0	0
NET INCOMING RESOURCES		685	(892)	0	(207)	337	(90)	247	40	2,131
Gains & (Losses) in Investment Assets	15	349	(144)	6	211	29	118	147	358	2,251
NET MOVEMENT ON FUNDS		1,034	(1,036)	6	4	366	28	394	398	4,382
Funds Brought Forward		71,820	1,939	1,229	74,988	2,748	7,758	10,506	85,494	81,112
FUNDS CARRIED FORWARD		72,854	903	1,235	74,992	3,114	7,786	10,900	85,892	85,494

ARUNDEL AND BRIGHTON DIOCESAN TRUST

Registered Charity No: 252878

BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes 3	DIOCESE £000's	CONNECTED TRUSTS £000's	TOTAL £000's	2013 £000's
FIXED ASSETS					
Tangible Assets	16	42,126	6,478	48,604	48,662
Investments	15	21,647	3,992	25,639	25,031
		63,773	10,470	74,243	73,693
CURRENT ASSETS					
Debtors & Prepayments	17	2,037		2,037	2,576
Cash at Bank and on Deposit		12,037	430	12,467	12,233
		14,074	430	14,504	14,809
Less: Creditors - amounts falling due within one year	18.1	2,820		2,820	2,867
NET CURRENT ASSETS/LIABILITIES		11,254	430	11,684	11,942
TOTAL ASSETS LESS CURRENT LIABILITIES					
		75,027	10,900	85,927	85,635
Less: Creditors - amounts falling due after more than one year	18.2	35		35	141
TOTAL NET ASSETS	19	74,992	10,900	85,892	85,494
FUNDS OF THE CHARITY					
Unrestricted Funds					
- General Funds		15,742		15,742	14,971
- Designated Funds	20.1	57,112		57,112	56,849
Restricted Funds	20.2-5	903	3,114	4,017	4,687
Permanent Endowment	20.3-7	1,235	7,786	9,021	8,987
TOTAL FUNDS		74,992	10,900	85,892	85,494

Approved by the Trustees on 13 July 2015 and signed as authorised on their behalf by:

The Right Reverend Richard Moth
Bishop of Arundel and Brighton
Chairman of Trustees
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ARUNDEL AND BRIGHTON DIOCESAN TRUST

CASHFLOW STATEMENT

FOR YEAR ENDED 31 DECEMBER 2014

	2014	2013
	£000's	£000's
Reconciliation of Net Incoming/(Outgoing) Resources to Cash Inflow/(Outflow) from Operating Activities		
Net Incoming/(Outgoing) Resources before Revaluations	40	2,131
Depreciation	1,584	1,471
Less Investment Income	(870)	(966)
Net (Gain) on Disposal of Fixed Assets	(204)	(1,751)
(Increase)/Decrease in Debtors	539	(260)
Increase/(Decrease) in Creditors due within one year	(47)	(815)
Increase/(Decrease) in Creditors due after one year	(106)	(13)
	936	(203)
Net Cash Inflow/(Outflow) from Operating Activities	936	(203)
Returns on Investment and Servicing of Finance - Investment Income	870	966
Capital Expenditure and Investment (see note below)	(1,572)	(1,028)
	234	(265)

ANALYSIS OF CHANGES IN CASH AT BANK AND IN HAND

	2014 Cashflow	2013 Cashflow	2012
	£000's	£000's	£000's
Cash at Bank and in Hand	12,467	234	12,233
			(265)
			12,498

	2014	2013
	£000's	£000's
Note on Capital Expenditure and Investment		
Payments to Acquire Tangible Fixed Assets	(3,169)	(1,950)
Payments to Acquire Investments	(5,587)	(5,183)
Trust Investments Received	1	
Receipts from Disposal of Fixed Assets	1,846	2,141
Receipts from Disposal of Investments	5,337	3,964
	(1,572)	(1,028)

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

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 (maintained) 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 2014

1. ACCOUNTING POLICIES – continued

1.6 Current Assets

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

1.7 Voluntary Aided (Maintained) 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 2014 and 2013 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

FOR YEAR ENDED 31 DECEMBER 2014

2.1 Details of Diocesan Trust

	PARISHES				CENTRAL AGENCIES				CHARITABLE TRADING			TOTAL	2013	
	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	
INCOMING RESOURCES														
Incoming Resources from Generated Funds														
Voluntary Income														
- Collections & Donations	7,721	1,215		8,936	8	164		172	23	132	155	9,263	10,032	
- Legacies	548	79		627	3	19		22				649	843	
- Grants	337			337		143		143				480	107	
Activities for generating Funds														
- Fundraising - Events	605	183		788					25		25	813	895	
- Lettings	1,138			1,138	72			72	50		50	1,260	1,259	
- Investment Income	169	52		221	496	53		549	8		8	778	874	
Incoming Resources from Charitable Activities														
- Fees and Sales	412			412	141			141	9,102		9,102	9,655	9,002	
- Government Grants									520		520	520	393	
Other Income Resources														
- Net Gain on Disposal of Assets	57			57	(28)			(28)				29	1,751	
TOTAL INCOMING RESOURCES	10,987	1,529	0	12,516	692	379	0	1,071	9,728	132	9,860	23,447	25,156	
RESOURCES EXPENDED														
Costs of Generating Funds														
	155	106		261	167			167				428	391	
Charitable Expenditure														
- Provision for Worship	2,595	887		3,482	106	22		128	87		87	3,697	3,998	
- Ministry Support	2,674	852		3,526	749	150		899	74		74	4,499	4,589	
- Pastoral & Community	2,807	558		3,365	810	85		895	299	16	315	4,575	4,870	
- Education	188	4		192	1,169	1		1,170	8,658	181	8,839	10,201	9,009	
Governance Costs														
					107			107	6		6	113	105	
TOTAL RESOURCES EXPENDED	8,419	2,407	0	10,826	3,108	258	0	3,366	9,124	197	9,321	23,513	22,962	
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS	2,568	(878)	0	1,690	(2,416)	121	0	(2,295)	604	(65)	539	(66)	2,194	
Transfers - IntraDiocesan Trust	(1,068)	(135)		(1,203)	1,156	2		1,158	45		45	0	0	
Transfers - InterTrust	(204)	52		(152)		11		11				(141)	39	
NET INCOMING RESOURCES	1,296	(961)	0	335	(1,260)	134	0	(1,126)	649	(65)	584	(207)	2,233	
Gains & (Losses) in Investment Assets	177	(149)	3	31	172	5	3	180				211	1,933	
NET MOVEMENT ON FUNDS	1,473	(1,110)	3	366	(1,088)	139	3	(946)	649	(65)	584	4	4,166	
Funds Brought Forward	47,565	493	830	48,888	20,953	1,297	399	22,649	3,302	149	3,451	74,988	70,822	
FUNDS CARRIED FORWARD	49,038	(617)	833	49,254	19,865	1,436	402	21,703	3,951	84	4,035	74,992	74,988	

ARUNDEL AND BRIGHTON DIOCESAN TRUST

2 STATEMENT OF FINANCIAL ACTIVITIES

FOR YEAR ENDED 31 DECEMBER 2013

2.2 Details of Diocesan Trust - continued

	PARISHES				CENTRAL AGENCIES				CHARITABLE TRADING			TOTAL
	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	
INCOMING RESOURCES												
Incoming Resources from Generated Funds												
Voluntary Income												
- Collections & Donations	7,821	1,270		9,091	678	215		893	4	44	48	10,032
- Legacies	470	185		655	188	0		188				843
- Grants	5			5		102		102				107
Activities for generating Funds												
- Fundraising - Events	648	229		877					18		18	895
- Lettings	1,166			1,166	46			46	47		47	1,259
- Investment Income	121	56		177	643	46		689	8		8	874
Incoming Resources from Charitable Activities												
- Fees and Sales	411			411	122			122	8,469		8,469	9,002
- Government Grants									393		393	393
Other Income Resources												
- Net Gain on Disposal of Assets	1,224			1,224	527			527				1,751
TOTAL INCOMING RESOURCES	11,866	1,740	0	13,606	2,204	363	0	2,567	8,939	44	8,983	25,156
RESOURCES EXPENDED												
Costs of Generating Funds												
	168	61		229	162			162				391
Charitable Expenditure												
- Provision for Worship	2,977	757		3,734	123	20		143	121		121	3,998
- Ministry Support	2,813	788		3,601	769	144		913	75		75	4,589
- Pastoral & Community	3,159	462		3,621	871	65		936	299	14	313	4,870
- Education	172	7		179	691	1		692	8,110	28	8,138	9,009
Governance Costs												
					99			99	6		6	105
TOTAL RESOURCES EXPENDED	9,289	2,075	0	11,364	2,715	230	0	2,945	8,611	42	8,653	22,962
NET INCOMING/(OUTGOING)	2,577	(335)	0	2,242	(511)	133	0	(378)	328	2	330	2,194
RESOURCES BEFORE TRANSFERS												
Transfers - IntraDiocesan Trust	(2,112)	639		(1,473)	1,314	14		1,328	145		145	0
Transfers - InterTrust		22		22		17		17				39
NET INCOMING RESOURCES	465	326	0	791	803	164	0	967	473	2	475	2,233
Gains & (Losses) in Investment Assets												
	266	10	72	348	1,449	116	20	1,585				1,933
NET MOVEMENT ON FUNDS	731	336	72	1,139	2,252	280	20	2,552	473	2	475	4,166
Funds Brought Forward	46,834	157	758	47,749	18,701	1,017	379	20,097	2,829	147	2,976	70,822
FUNDS CARRIED FORWARD	47,565	493	830	48,888	20,953	1,297	399	22,649	3,302	149	3,451	74,988

ARUNDEL AND BRIGHTON DIOCESAN TRUST

2 STATEMENT OF FINANCIAL ACTIVITIES

2.3 Details of Connected Trusts

	2014			2013		
	Restricted	Endowment	Total	Restricted	Endowment	Total
	£000's	£000's	£000's	£000's	£000's	£000's
INCOMING RESOURCES						
Incoming Resources from Generated Funds						
Voluntary Income						
- Collections & Donations	5		5	2		2
- Legacies						
- Grants						
Activities for generating Funds						
- Fundraising - Events						
- Lettings	16		16	23		23
- Investment Income	92		92	92		92
Incoming Resources from Charitable Activities						
- Fees and Sales						
- Government Grants						
Other Income Resources						
- Net Gain on Disposal of Assets	175		175			
TOTAL INCOMING RESOURCES	288	0	288	117	0	117
RESOURCES EXPENDED						
Costs of Generating Funds						
Charitable Expenditure						
- Provision for Worship	19	53	72	11	53	64
- Ministry Support	18	26	44	20	26	46
- Pastoral & Community	25	34	59	26	34	60
- Education	7		7	10		10
Governance Costs						
TOTAL RESOURCES EXPENDED	69	113	182	67	113	180
NET INCOMING/(OUTGOING)	219	(113)	106	50	(113)	(63)
RESOURCES BEFORE TRANSFERS						
Transfers - IntraDiocesan Trust			0			0
Transfers - InterTrust	118	23	141	(62)	23	(39)
NET INCOMING RESOURCES	337	(90)	247	(12)	(90)	(102)
Gains & (Losses) in Investment Assets	29	118	147	16	302	318
NET MOVEMENT ON FUNDS	366	28	394	4	212	216
Funds Brought Forward	2,748	7,758	10,506	2,744	7,546	10,290
FUNDS CARRIED FORWARD	3,114	7,786	10,900	2,748	7,758	10,506

ARUNDEL AND BRIGHTON DIOCESAN TRUST

3 BALANCE SHEET COMPARISON

AS AT 31 DECEMBER 2014

AS AT 31 DECEMBER 2013

	PARISHES	CENTRAL AGENCIES	CHARITABLE TRADING	TOTAL DIOCESE	CONNECTED TRUSTS	TOTAL	PARISHES	CENTRAL AGENCIES	CHARITABLE TRADING	TOTAL DIOCESE	CONNECTED TRUSTS	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
FIXED ASSETS												
Tangible Assets	32,667	7,035	2,424	42,126	6,478	48,604	31,627	8,396	2,145	42,168	6,494	48,662
Investments	5,106	16,541		21,647	3,992	25,639	4,925	16,293		21,218	3,813	25,031
	37,773	23,576	2,424	63,773	10,470	74,243	36,552	24,689	2,145	63,386	10,307	73,693
CURRENT ASSETS												
Debtors & Prepayments	370	1,376	291	2,037		2,037	372	1,919	285	2,576		2,576
Cash at Bank and on Deposit	11,869	(2,899)	3,067	12,037	430	12,467	12,779	(2,976)	2,231	12,034	199	12,233
	12,239	(1,523)	3,358	14,074	430	14,504	13,151	(1,057)	2,516	14,610	199	14,809
Less: Creditors - amounts falling due within one year	671	437	1,712	2,820		2,820	905	893	1,069	2,867		2,867
NET CURRENT ASSETS/LIABILITIES	11,568	(1,960)	1,646	11,254	430	11,684	12,246	(1,950)	1,447	11,743	199	11,942
PARISH LOAN ACCOUNTS												
Due from Parishes	(245)	245		0		0	(8)	8		0		0
Due to Parishes	158	(158)		0		0	98	(98)		0		0
TOTAL ASSETS LESS CURRENT LIABILITIES	49,254	21,703	4,070	75,027	10,900	85,927	48,888	22,649	3,592	75,129	10,506	85,635
Less: Creditors - amounts falling due after more than one year			35	35		35			141	141		141
TOTAL NET ASSETS	49,254	21,703	4,035	74,992	10,900	85,892	48,888	22,649	3,451	74,988	10,506	85,494
FUNDS OF THE CHARITY												
Unrestricted Funds												
- General Funds		11,791	3,951	15,742		15,742		11,669	3,302	14,971		14,971
- Designated Funds	49,038	8,074		57,112		57,112	47,565	9,284		56,849		56,849
Restricted Funds	(617)	1,436	84	903	3,114	4,017	493	1,297	149	1,939	2,748	4,687
Permanent Endowment	833	402		1,235	7,786	9,021	830	399		1,229	7,758	8,987
TOTAL FUNDS	49,254	21,703	4,035	74,992	10,900	85,892	48,888	22,649	3,451	74,988	10,506	85,494

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

4 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	2013
£000's	£000's
5,953	5,863
2,159	2,887
1,156	1,284
9,268	10,034

Increase in parish offertory collections % 1.5% -1.5%
 Annual inflation (RPI) % - for comparison purposes only 1.6% 2.7%
 Sunday Mass attendance in parishes across the Diocese 40,334 40,590
 Average weekly offertory per Mass attender £2.84 £2.78
 Every year, for national statistics, all parishes measure Mass attendance as the average Sunday attendance during October.

5 GRANTS RECEIVABLE

Voluntary Income

GRANT MAKING BODY

PURPOSE

Parish Trusts Support of various parishes
 Gift Aid Small Donations Scheme (2013 & 2014) Grant to church communities
 Listed Places of Worship Grant Scheme Listed church repairs
 Friends of Arundel Cathedral Cathedral support and repairs
 Diocesan Trusts Historic Churches Committee
 Surrey University Chaplaincy
 Moodie Prescott Trusts Training of priests
 Secular Clergy Trusts Care of retired priests
 Porticus Pastoral initiatives
 Others

TOTAL

Charitable Activities

Department for Education Special education school
 Local Authorities Preschool education

TOTAL

TOTAL	2013
£000's	£000's
54	5
283	
17	
46	45
31	30
5	5
9	12
10	10
9	
16	
480	107
257	122
263	271
520	393

6 INVESTMENT INCOME

Bank interest
 Listed investments

TOTAL

Unrestricted	Restricted	Endowment	TOTAL	2013
£000's	£000's	£000's	£000's	£000's
78	6		84	95
595	191		786	871
673	197	0	870	966

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

7 COSTS OF GENERATING FUNDS

	Unrestricted	Restricted	Endowment	TOTAL	2013
	£000's	£000's	£000's	£000's	£000's
Bank charges and overdraft interest	78			78	76
Fund management costs	96			96	84
Parish events	148	106		254	190
TOTAL	322	106	0	428	350

8 CHARITABLE EXPENDITURE

	Direct Personnel	Direct Premises	Direct Grants	Allocated Support	TOTAL	2013
	£000's	£000's	£000's	£000's	£000's	£000's
8.1 PARISHES						
Provision for Worship		3,462		20	3,482	3,734
Ministry Support	2,342	1,153		31	3,526	3,601
Pastoral & Community Education	698	2,264	373	30	3,365	3,621
			192		192	179
TOTAL PARISHES	3,040	6,879	565	81	10,565	11,135
8.2 CENTRAL AGENCIES						
Provision for Worship	92	7	25	4	128	143
Ministry Support	426	408	35	30	899	913
Pastoral & Community Education	482	220	152	41	895	936
	637	100	413	20	1,170	692
TOTAL CENTRAL AGENCIES	1,637	735	625	95	3,092	2,684
8.3 CHARITABLE TRADING						
Provision for Worship	22	65			87	121
Ministry Support		74			74	75
Pastoral & Community Education	243	58		14	315	313
	7,075	1,758		6	8,839	8,138
TOTAL CHARITABLE TRADING	7,340	1,955	0	20	9,315	8,647
8.4 CONNECTED TRUSTS						
Provision for Worship		72			72	64
Ministry Support		44			44	46
Pastoral & Community Education		59			59	60
			7		7	10
TOTAL CONNECTED TRUSTS	0	175	7	0	182	180
TOTAL	12,017	9,744	1,197	196	23,154	22,646

Personnel - staff (see note 12.1), travel and office costs.

Premises - depreciation (see note 16 for charge for year), property maintenance and establishment costs.

Grants - see note 9

Support - see note 11

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

8 CHARITABLE EXPENDITURE Continued

8.2.1 CENTRAL AGENCIES' DETAILS

Provision for Worship

Missions
Liturgy & Unity

Ministry Support

The Bishop and Curia
Clergy Care
Clergy Training & Vocations
Retired Priests
Retired Housekeepers

Pastoral & Community

Pastoral Care
Poor & Sick
Chaplaincies

Education

Schools Service
Adult Formation

TOTAL

TOTAL	2013
£000's	£000's
43	43
85	100
235	244
193	186
110	127
346	338
15	18
642	685
85	77
168	174
1,103	632
67	60
3,092	2,684

9 CHARITABLE GRANTS AND SCHOOL SUPPORT

9.1 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	2013
£000's	£000's
22	32
13	13
64	50
145	110
6	7
123	132
192	179
565	523

9.2 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

Maintained School projects
National Catholic Education Service

TOTAL

TOTAL	2013
£000's	£000's
10	18
15	15
35	23
	5
81	74
71	107
403	
10	7
625	249

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

9 CHARITABLE GRANTS AND SCHOOL SUPPORT Continued

9.3 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

TOTAL	2013
£000's	£000's
10	7
20	16
690	625
403	
28	28
192	179
11	9
1,354	864

TOTAL

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

27,756	27,332
£48.4	£31.3

9.4 MAINTAINED SCHOOL PROJECTS ADMINISTERED BY DIOCESE

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

£0.5m	£0.4m
4	4

10 GOVERNANCE COSTS

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

TOTAL	2013
£000's	£000's
43	42
6	6
24	19
5	2
29	30
6	6
113	105

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 connected trusts.

11 ALLOCATED SUPPORT COSTS

	Parish	Central Agencies	Charitable Trading	TOTAL	2013
	£000's	£000's	£000's	£000's	£000's
Provision for worship	20	4		24	25
Ministry support	31	30		61	62
Pastoral & community	30	41	14	85	87
Education		20	6	26	27
Governance		6		6	6
TOTAL	81	101	20	202	207

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 2014

12 STAFF INFORMATION

12.1 PERSONNEL COSTS

	Parish	Central Agencies	Charitable Trading	TOTAL	2013
	£000's	£000's	£000's	£000's	£000's
Employee Salaries	1,119	1,055	6,403	8,577	7,879
Social Security	51	89	459	599	606
Pension Costs	69	122	253	444	416
Total Employee Costs	1,239	1,266	7,115	9,620	8,901
Clergy & Religious Costs	1,157	165		1,322	1,255
Travel & Office Costs	644	206	225	1,075	1,127
TOTAL	3,040	1,637	7,340	12,017	11,283

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

12.2 PENSION PAYMENTS

The Diocese contributes 15% of gross salary to a group personal pension scheme for staff members who are auto-enrolled or who elect to join. A few longer term employees have opted for the minimal contributions of 1% by both employer and employee. 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 (2013 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 8.6% to 11.7%.

There were no contributions outstanding at the year end (2013 nil). Contributions to both schemes are shown in note 12.1 above.

12.3 STAFF NUMBERS

	Parish	Central Agencies	Charitable Trading	TOTAL	2013
Clergy & Religious	147	6		153	152
Employees - average weekly numbers	165	44	326	535	545
	312	50	326	688	697

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 2014

12 STAFF INFORMATION *continued*

12.4 EMPLOYEE EMOLUMENTS

	Parish	Central Agencies	Charitable Trading	TOTAL	2013
Between £60,001 and £70,000			1	1	1
Between £70,001 and £80,000		2	2	4	4
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.

13 TRUSTEES' INFORMATION

The Trustees comprise three priests and one deacon of the Diocese and four 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 2013).

14 TRANSFERS

Transfer tables are shown for 2014 (table 14A) and 2013 (table 14B).

14.1 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.

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

14.3 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.

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

14.5 Diocesan/Parish Subsidies to Trading. The Diocese and parishes transfer funds to cover deficits incurred. Surpluses are transferred back.

14.6 Restricted/Unrestricted Adjustments. Imbalances in funds are adjusted by transfers between unrestricted and restricted funds in parishes and Universities of Brighton & Sussex chaplaincy.

14.7 Support Costs. Finance Office costs in supporting parishes and charitable trading activities. See note 11.

14.8 Trusts. Trusts pay grants to Diocese and parishes for maintenance and repay loans from permanent endowment funds. Parishes transfer fixed assets to trusts.

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

14A TRANSFERS continued

A IntraDiocesan Transfers

	PARISHES			CENTRAL AGENCIES			CHARITY TRADING	CONNECTED TRUSTS			TOTAL	2013
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total		Restricted	Endowment	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
14.1 Levy												
Diocesan Levy	(1,492)		(1,492)	1,492		1,492					0	0
14.2 Diocesan Services to Parishes												
Gift Aid Charges	(97)		(97)	97		97					0	0
Other Diocesan Services	(33)		(33)	33		33					0	0
14.3 Collections & Donations												
Collection - Diocesan Missions		(22)	(22)		22	22					0	0
Collections - Clergy Training		(44)	(44)		44	44					0	0
Collection - Retired Priests		(30)	(30)		30	30					0	0
Foundation Masses		(4)	(4)		4	4					0	0
Parish Donations for Training of Priests	(1)		(1)	1		1					0	0
14.4 Diocesan Subsidies to Parishes												
Diocesan Grants to Parishes	129		129	(97)	(32)	(129)					0	0
Diocesan Grant to Cathedral Parish	264		264	(201)	(63)	(264)					0	0
14.5 Diocesan/Parish Subsidies to Trading												
St Cuthmans' Services to Diocese				(73)		(73)	73				0	0
Diocesan Grant to St Cuthmans Centre				(8)		(8)	8				0	0
DABCEC Bookshop surplus				10		10	(10)				0	0
Parish Grant to Private School	(11)		(11)				11				0	0
Pre-Schools Transfers to Parishes	57		57				(57)				0	0
14.6 Restricted/Unrestricted Adjustments												
Universities of Brighton & Sussex Chaplaincies				3	(3)	0					0	0
Transfers between Restricted & General Funds	35	(35)	0								0	0
14.7 Support Costs	81		81	(101)		(101)	20				0	0

IntraDiocesan trust transfers

	(1,068)	(135)	(1,203)	1,156	2	1,158	45		0	0	0	0
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B InterTrust transfers

14.8 Trust funds incorporated												
Parish transfers to trusts - tangible assets	(204)		(204)					204		204	0	0
Trust transfers to Diocesan trust - grants		52	52		11	11		(63)		(63)	0	0
Charity Commission loan scheme repayments								(23)	23	0	0	0

InterTrust transfers

	(204)	52	(152)	0	11	11	0	118	23	141	0	0
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TOTAL

	(1,272)	(83)	(1,355)	1,156	13	1,169	45	118	23	141	0	0
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ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2013

14B TRANSFERS continued

	PARISHES			CENTRAL AGENCIES			CHARITY TRADING	CONNECTED TRUSTS			TOTAL	2012
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Total	Restricted	Endowment	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
A IntraDiocesan Transfers												
14.1 Levy												
Diocesan Levy	(1,449)		(1,449)	1,449		1,449					0	0
14.2 Diocesan Services to Parishes												
Gift Aid Charges	(82)		(82)	82		82					0	0
Other Diocesan Services	(54)		(54)	54		54					0	0
14.3 Collections & Donations												
Collection - Diocesan Missions		(20)	(20)		20	20					0	0
Collections - Clergy Training		(38)	(38)		38	38					0	0
Collection - Retired Priests		(36)	(36)		36	36					0	0
Foundation Masses		(3)	(3)		3	3					0	0
Parish Donations for Training of Priests	(300)		(300)	300		300					0	0
14.4 Diocesan Subsidies to Parishes												
Diocesan Grants to Parishes	228		228	(198)	(30)	(228)					0	0
Diocesan Grant to Cathedral Parish	187		187	(142)	(45)	(187)					0	0
14.5 Diocesan/Parish Subsidies to Trading												
St Cuthmans' Services to Diocese				(75)		(75)	75				0	0
Diocesan Grant to St Cuthmans Centre				(55)		(55)	55				0	0
DABCEC Bookshop deficit				(6)		(6)	6				0	0
Parish Grant to Private School	(9)		(9)				9				0	0
Pre-Schools Transfers to Parishes	21		21				(21)				0	0
14.6 Restricted/Unrestricted Adjustments												
Universities of Brighton & Sussex Chaplaincies				8	(8)	0					0	0
Transfers between Restricted & General Funds	(736)	736	0								0	0
14.7 Support Costs	82		82	(103)		(103)	21				0	0
IntraDiocesan trust transfers	(2,112)	639	(1,473)	1,314	14	1,328	145		0	0	0	0
B InterTrust transfers												
14.8 Trust funds incorporated												
Trust transfers to Diocesan trust - grants		22	22		17	17		(39)		(39)	0	0
Charity Commission loan scheme repayments								(23)	23	0	0	0
InterTrust transfers	0	22	22	0	17	17	0	(62)	23	(39)	0	0
TOTAL	(2,112)	661	(1,451)	1,314	31	1,345	145	(62)	23	(39)	0	0

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

15 INVESTMENTS

CONSOLIDATED HOLDINGS

Listed Investments:

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

TOTAL INVESTMENTS

	PARISHES				CENTRAL AGENCIES				CONNECTED TRUSTS			TOTAL	2013
	Unrestricted	Restricted	Endowment	Total	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	£000's	£000's	£000's	£000's
- UK Bonds & Convertibles	971	48	160	1,179	2,420	297	128	2,845	286	572	858	4,882	5,303
- UK Equities	2,065	74	446	2,585	8,238	826	165	9,229	427	2,588	3,015	14,829	13,676
- Overseas Bonds & Convertibles	314	17	51	382	772	95	45	912				1,294	1,351
- Overseas Equities	665	25	156	846	2,802	289	56	3,147				3,993	3,758
- Cash Deposits	90	4	20	114	362	38	8	408	68	51	119	641	943
TOTAL INVESTMENTS	4,105	168	833	5,106	14,594	1,545	402	16,541	781	3,211	3,992	25,639	25,031

SUMMARY OF INVESTMENTS	TOTAL	2013
	£000's	£000's
OPENING VALUATION 1 Jan 2014	25,031	21,561
Acquisitions at Cost	5,587	5,183
Proceeds of Sales	(5,337)	(3,964)
Gains/(Losses) during the year	358	2,251
CLOSING VALUATION 31 Dec 2014	25,639	25,031
HISTORICAL COST (£'000s)	£20,935	£16,354
HOLDINGS GREATER THAN 5%		
CCLA COIF Charities Ethical Fund	5.8%	
CCLA COIF Charities Investment Fund		5.4%

INVESTMENT PORTFOLIO - ANALYSIS	TOTAL	2013
	%	%
Listed Investments:		
- UK Bonds & Convertibles	19	21
- UK Equities	57	55
- Overseas Bonds & Convertibles	5	5
- Overseas Equities	16	15
- Cash Deposits	3	4
TOTAL INVESTMENTS	100%	100%

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

16 TANGIBLE FIXED ASSETS

CONSOLIDATED ASSETS	PARISHES				CENTRAL AGENCIES				CHARITABLE TRADING				CONNECTED TRUSTS	TOTAL	2013	
	Freehold	Contents	Vehicles	Total	Freehold	Contents	Vehicles	Total	Freehold	Contents	Vehicles	Total	Freehold			
	£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	
COST OR VALUATION																
At 1 January	44,016	2,768	75	46,859	10,118	514	8	10,640	2,543	334	109	2,986	8,697	69,182	67,753	
Additions	1,886	192		2,078	386	40		426	411	35	14	460	205	3,169	1,950	
Disposals	(40)			(40)	(1,761)			(1,761)					(80)	(1,881)	(520)	
At 31 December	45,862	2,960	75	48,897	8,743	554	8	9,305	2,954	369	123	3,446	8,822	70,470	69,183	
DEPRECIATION																
At 1 January	12,730	2,446	56	15,232	1,815	427	2	2,244	545	192	105	842	2,203	20,521	19,180	
Charge for year	821	193	6	1,020	170	47	2	219	135	38	7	180	165	1,584	1,471	
Disposals	(22)			(22)	(193)			(193)					(24)	(239)	(130)	
At 31 December	13,529	2,639	62	16,230	1,792	474	4	2,270	680	230	112	1,022	2,344	21,866	20,521	
NET BOOK VALUE																
At 31 December 2014	32,333	321	13	32,667	6,951	80	4	7,035	2,274	139	11	2,424	6,478	48,604	48,662	
At 1 January 2014	31,286	322	19	31,627	8,303	87	6	8,396	1,998	142	4	2,144	6,494	48,661	48,573	
Building Insurance Values	318,280				12,458				9,238					339,976	316,181	
Number of Buildings	306				29				12				48	395	393	

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 2014

16 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 maintained (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 2014, the building insurance valuation for the 64 maintained schools was £397 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.

17 DEBTORS

School Grants and Other Amounts Recoverable (£960,000 due after one year)
 Legacy receivable
 Gift Aid Small Donations Scheme grant 2014
 Other Debtors and Prepayments

TOTAL

TOTAL	2013
£000's	£000's
1,092	1,691
49	177
150	
746	708
2,037	2,576

18 CREDITORS

18.1 Creditors - amounts falling due within one year

Interest Free Loans
 Amounts payable in connection with school projects
 Parish Collections, Supplies and Accruals
 Fees Paid in Advance
 Grants paid in advance
 Other Creditors

TOTAL

Interest free loans are repayable on demand with a month's notice and do not have a repayment structure.

18.2 Creditors - amounts falling due after more than one year
 Building Loans

TOTAL

TOTAL	2013
£000's	£000's
137	140
2	479
669	901
1,556	806
3	69
453	472
2,820	2,867
35	141
35	141

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

19.1 DIOCESAN TRUST

	PARISHES				CENTRAL AGENCIES				CHARITABLE TRADING			TOTAL	2013
	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	32,667			32,667	7,035			7,035	2,424		2,424	42,126	41,916
Investments	4,135	138	833	5,106	14,594	1,545	402	16,541				21,647	18,081
Debtors	370			370	1,376			1,376	291		291	2,037	2,316
Cash at Bank	12,624	(755)		11,869	(2,790)	(109)		(2,899)	2,983	84	3,067	12,037	12,345
Creditors	(671)			(671)	(437)			(437)	(1,712)		(1,712)	(2,820)	(3,682)
Parish Loans - Due from Parishes	(245)			(245)	245			245				0	0
- Due to Parishes	158			158	(158)			(158)				0	0
Long Term Liabilities									(35)		(35)	(35)	(154)
TOTAL NET ASSETS	49,038	(617)	833	49,254	19,865	1,436	402	21,703	3,951	84	4,035	74,992	70,822

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

19.2 CONNECTED TRUSTS

	Restricted Endowment		TOTAL	2013
	£000's	£000's		
Fixed Assets	1,925	4,552	6,477	6,657
Investments	803	3,190	3,993	3,480
Stock				
Debtors				
Cash at Bank	386	44	430	153
Creditors				
Parish Loans - Due from Parishes				
- Due to Parishes				
Long Term Liabilities				
TOTAL NET ASSETS	3,114	7,786	10,900	10,290

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

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

20 FUNDS ANALYSIS

20.1 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	7,335		(196)		(450)	6,689
Ecclesiastical Education	487		(95)		451	843
Education	1,462		(431)		(489)	542
Parishes	47,565	10,987	(8,419)	177	(1,272)	49,038
TOTAL	56,849	10,987	(9,141)	177	(1,760)	57,112

Retired Priests - to support priests in retirement with accommodation and nursing needs. Projections in 2007 proved too high so monies were returned to the unrestricted fund in 2014.

Ecclesiastical Education - for the education of students to the priesthood and continuing formation. Following a projection of financing requirements additional monies were transferred to the designated fund in 2014.

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.

20.2 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	252	178	(58)	1		373
Foundation Masses	371			1	3	375
Education	476	20	(1)	3		498
Ecclesiastical Education	10	13	(63)		44	4
UBS Chaplaincies	184				(3)	181
Others	4	168	(136)		(31)	5
Charitable Trading	149	132	(197)			84
Parishes						
Parish Projects	493	1,529	(2,407)	(149)	(83)	(617)
TOTAL	1,939	2,040	(2,862)	(144)	(70)	903

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.

Universities of Brighton & Sussex Chaplaincies - created from donation from trust to maintain Chaplaincy building and facilities

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 2014

20 FUNDS ANALYSIS Continued

20.3 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	314			3		317
Ecclesiastical Education	85					85
Parishes						
Parishes Support	830			3		833
TOTAL	1,229	0	0	6	0	1,235

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

20.4 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	272		(7)			265
Dorking - Norfolk	2					2
Godalming - Hyland	59	1	(2)			58
Horsham - Norfolk	755		(26)		205	934
Keymer - Munster	40		(1)		(1)	38
St Leonards - Grant	139		(4)			135
Sutton Park - Salvin	251		(5)			246
Worthing - Gaisford	10					10
Retired Priests - Elmer	56	156			(1)	211
Trusts - Land and Investments						
Battle - Ashburnham	657	12	(8)	(1)		660
	2,241	169	(53)	(1)	203	2,559

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

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

20 FUNDS ANALYSIS Continued

20.5 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	390	12		28		430
Arundel - Norfolk Cemetery	0	1			(1)	0
Burwash - Cemetery	0					0
Crawley - Scawen Blunt	33	29			(21)	41
Hérons Ghyll - Hope	37	10			(47)	0
Houghton - Norfolk Cemetery	0	20		1		21
Oxted - Lang	0					0
Slindon - Leslie	11	13	(5)	1	(1)	19
Retired Priests - Buckley	0	10			(10)	0
Trusts - Investments only						
Duncton - Bedingfeld	7	6	(1)		(3)	9
Duncton - Biddulph Education	21	15	(7)			29
Littlehampton - Norfolk 1901	8	3	(3)		(2)	6
	507	119	(16)	30	(85)	555

20.6 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	820		(21)			799
Duncton - Biddulph	1					1
Effingham - Pauling	14		(1)			13
Fairlight - Shadwell Cemetery	0					0
Littlehampton - Norfolk	174		(6)			168
Retired Priests - Buckley	276		(6)			270
Trusts - Land and Investments						
Arundel - Norfolk Cemetery	870		(18)	4		856
Burwash - Cemetery	6					6
Crawley - Scawen Blunt	2,909		(30)	84	21	2,984
Hérons Ghyll - Hope	321			(1)		320
Houghton - Norfolk Cemetery	4			1		5
Oxted - Lang	1,188		(27)			1,161
Slindon - Leslie	266		(4)	1		263
Trusts - Investments only						
Duncton - Bedingfeld	192			5		197
Duncton - Biddulph Education	517			12		529
Littlehampton - Norfolk 1901	200			12	2	214
TOTAL	7,758	0	(113)	118	23	7,786

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 2014

20 FUNDS ANALYSIS Continued

20.7 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	13
Crawley Scawen Blunt - 2	50	1995	300	6	180
Crawley Scawen Blunt - 3	47	1998	60	1	38
Littlehampton Norfolk 1901	30	1991	70	2	14
Slindon - Leslie	30	1986	9	<1	1
TOTAL			834	23	246

21 THIRD PARTY COLLECTIONS PAID OUT

	2014 £000's	2013 £000's
Apostleship of the Sea	44	42
Association of the Propagation of the Faith	31	32
CAFOD	194	261
Cabrini Childrens Society	5	37
Catholic Education Service	20	16
Enclosed Orders	4	4
Holy Places	31	25
Lourdes Pilgrimage	41	21
Mass Media Apostolate	16	12
Missions	135	117
Peters Pence	23	21
Poor	58	61
Sick	23	42
SVP	21	19
Life	31	24
Less Developed Countries	116	130
Day for Life	21	11
Racial Justice	10	11
Pax Christi	10	5
Others	15	19
TOTAL COLLECTIONS	834	910

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 2014

22 COMMITMENTS GUARANTEES AND CONTINGENCIES

Capital commitments at 31 December 2014 amounted to £0.15 million on parish properties. Capital commitments in maintained and independent schools amounted to zero.

At 31 December 2013 capital commitments had amounted to £0.1 million on parish properties.

Contingent Liability. The Diocese has entered into an agreement for a nomination agreement to provide tenants in a Supported Living programme for adults with learning difficulties. The nomination agreement, once completed, will be for a period of 25 years pursuant to the terms of a lease between the freehold owner of the property and a social housing provider. The tenants will receive housing benefit to cover their rent. The Diocese is potentially liable up to an aggregate maximum of £500,000 for any rental shortfall through voids in occupation of the accommodation. Voids are funded initially by claiming on a voids insurance policy then on an internally established fund. Furthermore, the Diocese has the benefit of a secured guarantee from a third party to be reimbursed 65% of any liability up to a capped aggregate value of £500,000. This guarantee effectively reduces the liability of the Diocese to £175,000. It is most unlikely that the liability will be called in, but sufficient funds are held by the Diocesan Special School to cover this eventuality.

23 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

	2014	2013
FOR YEAR ENDED 31 DECEMBER 2014		
Turnover	1,281	774
Less: Cost of Sales and Administrative Expenses	(1,288)	(788)
Retained Profit/(Loss) for the Year	(7)	(14)
The assets and liabilities of the subsidiary were:		
Tangible Assets	2	10
Current assets	161	150
Creditors - amounts falling due within one year	(167)	(157)
Total Net Assets	(4)	3
Aggregate share capital and reserves	(4)	17

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

24 FIVE YEAR FINANCIAL SUMMARY

STATEMENT OF FINANCIAL ACTIVITIES

INCOMING RESOURCES

Incoming Resources from Generated Funds

	2014	2013	2012	2011	2010
	£000's	£000's	£000's	£000's	£000's
- Collections & Donations	9,268	10,034	8,917	8,954	8,682
- Legacies	649	843	354	696	805
- Grants	480	107	254	308	173
- Fundraising - Events	813	895	797	845	813
- Lettings	1,276	1,282	1,178	1,035	1,088
- Investment Income	870	966	806	827	775

Incoming Resources from Charitable Activities

- Fees and Sales	9,655	9,002	7,903	11,851	11,315
- Government Grants	520	393	345	534	549

Other Income Resources

- Net Gain/(Loss) on Disposal of Assets	204	1,751	2,841	1,541	2,852
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TOTAL INCOMING RESOURCES

23,735 25,273 23,395 26,591 27,052

RESOURCES EXPENDED

Costs of Generating Funds

Provision for Worship	428	391	350	340	388
Ministry Support	3,769	4,062	2,880	3,722	4,013
Pastoral & Community	4,543	4,635	4,571	4,735	4,646
Education	4,634	4,930	4,066	4,286	4,269
Governance Costs	10,208	9,019	9,094	12,390	12,993
	113	105	140	165	156

TOTAL RESOURCES EXPENDED

23,695 23,142 21,101 25,638 26,465

NET INCOMING/(OUTGOING) RESOURCES

40 2,131 2,294 953 587

Transfers

Gains/(Losses) in Investment Assets

(3,090)
(908) 1,550

NET MOVEMENT ON FUNDS

398 4,382 3,782 (3,045) 2,137

BALANCE SHEET

ASSETS LESS CURRENT LIABILITIES

Tangible Assets	48,604	48,662	48,573	45,406	48,388
Investments	25,639	25,031	21,561	20,117	18,014
Debtors	2,037	2,576	2,316	2,069	2,990
Cash at Bank and on Deposit	12,467	12,233	12,498	13,240	15,606

88,747 88,502 84,948 80,832 84,998

Deduct: Creditors due within one year

Creditors due after one year

2,820 2,867 3,682 3,173 4,254
35 141 154 329 369

NET ASSETS

85,892 85,494 81,112 77,330 80,375

FUNDS OF CHARITY

Unrestricted Funds

- General Funds	15,742	14,971	11,925	10,874	18,617
- Designated Funds	57,112	56,849	56,439	54,794	58,669

Restricted Funds

Permanent Endowment

4,017 4,687 4,065 3,873 1,660
9,021 8,987 8,683 7,789 1,429

TOTAL FUNDS

85,892 85,494 81,112 77,330 80,375

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

PARISHES

24.1 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

	2014	2013	2012	2011	2010
	£000's	£000's	£000's	£000's	£000's
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
- Collections & Donations	8,936	9,091	8,737	8,752	8,556
- Legacies	627	655	303	252	729
- Grants	337	5		15	13
- Fundraising - Events	788	877	783	827	808
- Lettings	1,138	1,166	1,121	987	1,041
- Investment Income	221	177	188	209	151
Incoming Resources from Charitable Activities					
- Fees and Sales	412	411	469	364	432
- Government Grants					
Other Income Resources					
- Net Gain/(Loss) on Disposal of Assets	57	1,224	1,540	1,168	2,619
TOTAL INCOMING RESOURCES	12,516	13,606	13,141	12,574	14,349
RESOURCES EXPENDED					
Costs of Generating Funds	261	229	195	192	222
Provision for Worship	3,482	3,734	2,561	3,421	3,774
Ministry Support	3,526	3,601	3,542	3,372	3,375
Pastoral & Community	3,365	3,621	2,776	2,960	3,101
Education	192	179	452	271	188
Governance Costs					
TOTAL RESOURCES EXPENDED	10,826	11,364	9,526	10,216	10,660
NET INCOMING/(OUTGOING) RESOURCES	1,690	2,242	3,615	2,358	3,689
Transfers	(1,355)	(1,451)	(2,091)	(5,856)	(1,229)
Gains/(Losses) in Investment Assets	31	348	202	(181)	254
NET MOVEMENT ON FUNDS	366	1,139	1,726	(3,679)	2,714
BALANCE SHEET					
ASSETS LESS CURRENT LIABILITIES					
Tangible Assets	32,667	31,627	31,718	29,809	33,104
Investments	5,106	4,925	3,287	3,069	3,371
Debtors	370	372	193	142	121
Cash at Bank and on Deposit	11,869	12,779	13,211	13,497	13,632
	50,012	49,703	48,409	46,517	50,228
Deduct: Creditors due within one year	671	905	741	736	664
Creditors due after one year					
Parish Loans due (to) Diocese/Trading	(245)	(8)	(10)	(2)	(14)
Parish Loans due from Diocese/Trading	158	98	91	244	152
NET ASSETS	49,254	48,888	47,749	46,023	49,702
FUNDS OF CHARITY					
Unrestricted Funds					
- General Funds					
- Designated Funds	49,038	47,565	46,834	45,161	48,535
Restricted Funds	(617)	493	157	149	412
Permanent Endowment	833	830	758	713	755
TOTAL FUNDS	49,254	48,888	47,749	46,023	49,702

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

24.2 FIVE YEAR FINANCIAL SUMMARY continued

CENTRAL AGENCIES

	2014	2013	2012	2011	2010
	£000's	£000's	£000's	£000's	£000's
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
- Collections & Donations	172	893	7	43	32
- Legacies	22	188	51	444	75
- Grants	143	102	251	293	160
- Fundraising - Events					
- Lettings	72	46	38	33	42
- Investment Income	549	689	521	590	602
Incoming Resources from Charitable Activities					
- Fees and Sales	141	122	153	290	134
- Government Grants					
Other Income Resources					
- Net Gain/(Loss) on Disposal of Assets	(28)	527	1,301	373	233
TOTAL INCOMING RESOURCES	1,071	2,567	2,322	2,066	1,278
RESOURCES EXPENDED					
Costs of Generating Funds	167	162	155	148	166
Provision for Worship	128	143	123	125	116
Ministry Support	899	913	928	1,299	1,209
Pastoral & Community	895	936	888	1,004	816
Education	1,170	692	1,392	910	1,890
Governance Costs	107	99	133	155	146
TOTAL RESOURCES EXPENDED	3,366	2,945	3,619	3,641	4,343
NET INCOMING/(OUTGOING) RESOURCES	(2,295)	(378)	(1,297)	(1,575)	(3,065)
Transfers	1,169	1,345	1,191	1,474	1,054
Gains/(Losses) in Investment Assets	180	1,585	1,027	(727)	1,296
NET MOVEMENT ON FUNDS	(946)	2,552	921	(828)	(715)
BALANCE SHEET					
ASSETS LESS CURRENT LIABILITIES					
Tangible Assets	7,035	8,396	8,020	7,648	7,932
Investments	16,541	16,293	14,794	13,843	14,643
Debtors	1,376	1,919	2,083	1,842	2,735
Cash at Bank and on Deposit	(2,899)	(2,976)	(3,513)	(3,179)	(3,386)
	22,053	23,632	21,384	20,154	21,924
Deduct: Creditors due within one year	437	893	1,206	736	1,782
Creditors due after one year					
Parish Loans due from Parishes	245	8	10	2	14
Parish Loans due (to) Parishes	(158)	(98)	(91)	(244)	(152)
NET ASSETS	21,703	22,649	20,097	19,176	20,004
FUNDS OF CHARITY					
Unrestricted Funds					
- General Funds	11,791	11,669	9,096	8,216	8,415
- Designated Funds	8,074	9,284	9,605	9,633	10,134
Restricted Funds	1,436	1,297	1,017	967	1,078
Permanent Endowment	402	399	379	360	377
TOTAL FUNDS	21,703	22,649	20,097	19,176	20,004

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

24.3 FIVE YEAR FINANCIAL SUMMARY continued

CHARITABLE TRADING

	2014	2013	2012	2011	2010
	£000's	£000's	£000's	£000's	£000's
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
- Collections & Donations	155	48	170	159	94
- Legacies					1
- Grants					
- Fundraising - Events	25	18	14	18	5
- Lettings	50	47		4	5
- Investment Income	8	8	8	28	22
Incoming Resources from Charitable Activities					
- Fees and Sales	9,102	8,469	7,281	11,197	10,749
- Government Grants	520	393	345	534	549
Other Income Resources					
- Net Gain/(Loss) on Disposal of Assets					
TOTAL INCOMING RESOURCES	9,860	8,983	7,818	11,940	11,425
RESOURCES EXPENDED					
Costs of Generating Funds					
Provision for Worship	87	121	132	176	123
Ministry Support	74	75	56	57	55
Pastoral & Community	315	313	342	322	352
Education	8,839	8,138	7,237	11,209	10,915
Governance Costs	6	6	7	10	10
TOTAL RESOURCES EXPENDED	9,321	8,653	7,774	11,774	11,455
NET INCOMING/(OUTGOING) RESOURCES	539	330	44	166	(30)
Transfers	45	145	124	(7,730)	175
Gains/(Losses) in Investment Assets					
NET MOVEMENT ON FUNDS	584	475	168	(7,564)	145
BALANCE SHEET					
ASSETS LESS CURRENT LIABILITIES					
Tangible Assets	2,424	2,145	2,178	1,929	7,055
Investments					
Debtors	291	285	40	85	134
Cash at Bank and on Deposit	3,067	2,231	2,647	2,824	5,360
	5,782	4,661	4,865	4,838	12,549
Deduct: Creditors due within one year	1,712	1,069	1,735	1,701	1,808
Creditors due after one year	35	141	154	329	369
Parish Loans due from Parishes					
Parish Loans due (to) Parishes					
NET ASSETS	4,035	3,451	2,976	2,808	10,372
FUNDS OF CHARITY					
Unrestricted Funds					
- General Funds	3,951	3,302	2,829	2,658	10,202
- Designated Funds		0			
Restricted Funds	84	149	147	150	170
Permanent Endowment					
TOTAL FUNDS	4,035	3,451	2,976	2,808	10,372

ARUNDEL AND BRIGHTON DIOCESAN TRUST

NOTES TO ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2014

24.4 FIVE YEAR FINANCIAL SUMMARY continued

CONNECTED TRUSTS

	2014	2013	2012	2011	2010
	£000's	£000's	£000's	£000's	£000's
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
- Collections & Donations	5	2	3		
- Legacies					
- Grants			3		
- Fundraising - Events					
- Lettings	16	23	19	11	
- Investment Income	92	92	89		
Incoming Resources from Charitable Activities					
- Fees and Sales					
- Government Grants					
Other Income Resources					
- Net Gain/(Loss) on Disposal of Assets	175				
TOTAL INCOMING RESOURCES	288	117	114	11	0
RESOURCES EXPENDED					
Costs of Generating Funds					
Provision for Worship	72	64	64		
Ministry Support	44	46	45	7	7
Pastoral & Community	59	60	60		
Education	7	10	13		
Governance Costs					
TOTAL RESOURCES EXPENDED	182	180	182	7	7
NET INCOMING/(OUTGOING) RESOURCES	106	(63)	(68)	4	(7)
Transfers	141	(39)	776	9,022	
Gains/(Losses) in Investment Assets	147	318	259		
NET MOVEMENT ON FUNDS	394	216	967	9,026	(7)
BALANCE SHEET					
ASSETS LESS CURRENT LIABILITIES					
Tangible Assets	6,478	6,494	6,657	6,020	297
Investments	3,992	3,813	3,480	3,205	
Debtors					
Cash at Bank and on Deposit	430	199	153	98	
	10,900	10,506	10,290	9,323	297
Deduct: Creditors due within one year					
Creditors due after one year					
Parish Loans due from Parishes					
Parish Loans due (to) Parishes					
NET ASSETS	10,900	10,506	10,290	9,323	297
FUNDS OF CHARITY					
Unrestricted Funds					
- General Funds					
- Designated Funds					
Restricted Funds	3,114	2,748	2,744	2,607	
Permanent Endowment	7,786	7,758	7,546	6,716	297
TOTAL FUNDS	10,900	10,506	10,290	9,323	297