

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES

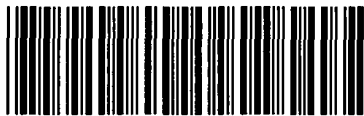
Company Limited by Guarantee Number 7151646
Registered Charity Number 1134449

ANNUAL REPORT AND ACCOUNTS

for the year ended

31ST MARCH 2017

FRIDAY



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COMPANIES HOUSE

Willson House
25 Derby Road
Nottingham
NG1 5AW

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NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES

Directors' Report for the year ended 31st March 2017

The Directors present their report and the consolidated accounts for the year ended 31 March 2017 which were approved by them on 7th December 2017. These comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) with effect from 1st January 2015. The report is both a trustees' annual report and a directors' report under company law. The Directors who served during the year and up to the date of this report are set out on page 7.

The charity is referred to as "the Diocese" in this Annual Report and Accounts.

OBJECTIVES AND ACTIVITIES

The objects of the Diocese are:

- (1) The advancement of the Roman Catholic religion in the area of the Roman Catholic Diocese of Nottingham as determined under the laws of the Roman Catholic Church and in accordance with them.
- (2) The advancement of any charitable purpose supported by the Roman Catholic Church in any part of the world.

The Diocese of Nottingham comprises the major part of the East Midlands. It extends to the north from Marple Bridge on the outskirts of Manchester and south to Lutterworth, east to the Lincolnshire coast, and west to Burton-on-Trent. It includes the following civil administrative areas which reflect in some cases the county boundaries as they were in 1850 when the Diocese of Nottingham was erected by the Apostolic Letter Universalis Ecclesiae rather than as they are today:

Counties - Nottinghamshire (other than the district of Bassetlaw), Derbyshire (other than the areas of Bamford, Chesterfield, Clowne, Dronfield, Eckington, Hathersage and Staveley), Leicestershire (other than the area of Market Harborough which is south of the River Welland), Lincolnshire (including the City of Lincoln and excluding the area east of the River Nene and the area of Stamford which is south of the River Welland), Staffordshire (the area of Burton on Trent north of the River Trent)

Unitary Area Authorities - North Lincolnshire, North East Lincolnshire and Rutland

Cities - Nottingham, Derby and Leicester

Metropolitan Boroughs – Part of Stockport (Marple Bridge, east of the River Etherow and the River Goyt).

The main activities of the Diocese consist of worship in parishes.

The second commandment of all is to love thy neighbour as thyself." (Mark XII: 31, referring to Leviticus XIX:18). "So faith by itself, if it has no works, is dead." (James II: 17). The mere believing of the truths of faith without any affect on our lives is valueless for eternal salvation.

In relation to "Public Benefit" the Directors, who have had regard to the Charity Commission guidance on public benefit, report on some of the activities of the charity as follows:

Seeking new followers:
evangelising.

Provision of places of worship:
the provision and maintenance of buildings used for religious practice, including churches and meeting rooms used for related activities e.g. religious instruction for children,
the conducting of religious ceremonies e.g. the celebration of Masses as well as marriages, funerals and the provision of the sacraments generally,
the maintenance of public churchyards and cemeteries,
the provision and maintenance of religious or devotional artefacts and items used in religious services, rituals or practices, religious stained glass windows, other religious works of art within places of worship,
'passive advancement' (leaving religious buildings open for people to enter and benefit from personal spiritual contemplation).

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Directors' Report for the year ended 31st March 2017

OBJECTIVES AND ACTIVITIES (continued)

Raising awareness and understanding of religious beliefs and practices:

advancing religious doctrine and tenets of the Catholic faith,
producing and promoting religious books, information for the public, including providing religious resource centres and libraries,
promoting the study of religious teachings and practices and scriptures,
promoting religious narratives and/or doctrines through producing and performing musical liturgy,
providing religious instruction and supervision,
providing and supporting schools and educational establishments which provide education in accordance with the principles and practices of the Catholic Faith,
support of religious office holders for acting as such,
promoting prayer, praise and study.

Religious devotional acts:

visiting the sick and administering sacraments to the sick and dying.

Missionary and outreach work:

the provision of prison, hospital and university chaplaincy, prison and hospital visiting,
pastoral work,
cultural and community activities provided either in the place of worship or in the buildings attached,
gifts to schools, hospitals and relief of poverty in areas of need,
developing understanding regarding peace and human rights.

Religious communication:

sermons and religious seminars, talks, meetings and conferences, street and door-to-door communications.

Retreat and pilgrimage:

provision of property for retreats,
organising the holding of long or short stay retreats,
organising open pilgrimages where the pilgrimage is part of the public worship.

Advancing religion generally:

ecumenical meetings and conferences.

Social Investment Properties:

the charity owns property at Mackworth in Derby and at Crich in Derbyshire in furtherance of its objectives which are occupied by the Nottingham Roman Catholic Diocesan Education Service and the Diocesan Youth Service respectively. The Voluntary Aided Catholic schools and Academies of the Diocese are generally owned by it.

Grants:

grants are made by the Diocese to other charities in furtherance of its objectives, although the Diocese is not primarily a grant making charity. The chief of these are to the Nottingham Roman Catholic Diocesan Education Service, the Diocesan Sick and Retired Priests Fund, the Housekeepers Retirement Fund and the Diocesan Youth Service. Other grants may be made on application to the Board of Directors or by parishes subject to a monetary limit above which approval by the Board of Directors is also required.

Other:

reference is made to the use of Parish Halls by the public, family retreats, support of multi faith centres, direct support of schools and hospitals in Africa and youth work (not limited to Catholics) and funding by the Mission Fund of young people to go to Africa to work in hospitals and in schools in past years.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Directors' Report for the year ended 31st March 2017

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Diocese has continued to provide spiritual support through its clergy, services from its churches, education through its schools and contributes to the life of the parish by activities in its church halls. Additional information about the life of the Diocese is available in the Diocesan Year Book.

The following statistics illustrate the situation of the Diocese:

| Year to 31st December | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Estimated Catholic Population | N/A | N/A | 154,550 | 163,225 | 157,534 | 120,000 | 145,616 |
| Baptisms | 2,033 | 2,089 | 1,931 | 2,252 | 2,179 | 2,291 | 2,008 |
| Receptions | 119 | 172 | 178 | 168 | 931 | 251 | 206 |
| First Holy Communions | 2,035 | 1,870 | 1,768 | 1,877 | 1,840 | 1,848 | 1,717 |
| Confirmations | 979 | 609 | 932 | 837 | 920 | 1,996 | 1,093 |
| Marriages | 313 | 299 | 364 | 375 | 359 | 407 | 365 |
| Deaths | 1,464 | 1,439 | 1,500 | 1,607 | 1,598 | 1,446 | 1,595 |
| Mass Attendance | 28,989 | 29,848 | 29,429 | 31,943 | 32,248 | 28,164 | 31,905 |

| As at 5th October | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Diocesan Priests | | | | | | | |
| On active work in the Diocese | 75 | 82 | 86 | 88 | 84 | 83 | 82 |
| On active work outside the Diocese UK | 4 | 4 | 3 | 3 | 2 | 1 | 1 |
| On active work abroad | 3 | 3 | 2 | 2 | 5 | 4 | 5 |
| Chaplains to the Forces | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Temporarily on sick leave | 1 | 2 | 0 | 1 | 1 | 1 | 1 |
| Retired | 37 | 34 | 29 | 29 | 31 | 31 | 31 |
| Other Priests | | | | | | | |
| Other Dioceses/ Ordinariate | 17 | 15 | 16 | 16 | 16 | 10 | 10 |
| Foreign Chaplains | 10 | 10 | 9 | 9 | 9 | 8 | 8 |
| Regular Priests | 35 | 35 | 43 | 43 | 45 | 45 | 45 |
| Total Priests | 183 | 186 | 189 | 192 | 194 | 184 | 184 |
| Permanent Deacons | | | | | | | |
| On active work in the Diocese | 40 | 42 | 35 | 36 | 35 | 38 | 38 |
| On active work outside the Diocese | 5 | 4 | 4 | 3 | 3 | 2 | 2 |
| Retired | 6 | 5 | 5 | 5 | 4 | 3 | 3 |
| Deacons of other dioceses | 2 | | | | | | |
| Total Deacons | 53 | 51 | 44 | 44 | 42 | 43 | 43 |
| Places of Worship | | | | | | | |
| Parishes | 107 | 108 | 108 | 108 | 108 | 112 | 112 |
| Parish Churches | 110 | 111 | N/A | N/A | N/A | N/A | N/A |
| Other Public Churches and Chapels | 32 | 33 | 40 | 40 | 38 | 40 | 40 |
| Mass Centres other than Chapels | 12 | 12 | 11 | 11 | 11 | 8 | 8 |
| Convents | 27 | 27 | 30 | 30 | 30 | 32 | 28 |
| Total Places of Worship | 288 | 291 | 189 | 189 | 187 | 192 | 188 |

| As at 5th October | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Catholic Schools | | | | | | | |
| Primary | 69 | 69 | 69 | 69 | 69 | 69 | 69 |
| Secondary | 15 | 16 | 16 | 16 | 16 | 17 | 17 |
| Independent (all) | 4 | 4 | 4 | 4 | 4 | 3 | 3 |
| Total Catholic Schools | 88 | 89 | 89 | 89 | 89 | 89 | 89 |

Since the ultimate objective of the charity being the salvation of souls, it is not possible to measure its eventual effectiveness.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Directors' Report for the year ended 31st March 2017

FINANCIAL REVIEW

The accounts of the Diocese distinguish between the Parishes of the Diocese and the Curia, which performs its central administration. The income of the Diocese is mainly from Parish collections, donations, legacies, grants and specific fundraising activities. The Curia is funded chiefly from the Diocesan Quota, a levy on the income of Parishes authorised by canon law. Other income includes investment income, interest and rents both from its own assets and those shared with the Parishes.

Reserves

The Directors are of the opinion that the assets of the Diocese are available and adequate to fulfil its obligations and to provide prudently for future expenditure. Given that there are requirements for capital, especially for example for the provision of accommodation for retired priests, it is the policy of the Directors at present that the unrestricted liquid reserves of the Diocese be between one and three years of its normal expenditure. As a separate juridical person under canon law each parish is responsible for determining its own reserves policy under the general responsibility of the Board. The Diocese is regarded as a going concern and the accounts have been prepared accordingly.

At 31st March 2017 the Reserves of the Diocese were £61.7m (2016: £57.9m). Of these, Parishes' Restricted Funds were £43.0m (2016: £42.1m) and capital commitments in relation to building work were £469 thousand (2016: £1,043 thousand). For the Curia, Designated Funds were £913 thousand (2016: £507 thousand); Restricted Funds were £6.9m (2016: £5.9m); Endowment Funds were £149 thousand (2016: £143 thousand). For the separate charity, the reserves were £5.2m (2016: £3.7m). Apart from the increase in cash and investments as a result of the Retired Priests Appeal and investment appreciation in the listed buildings generally there have been no significant balance sheet movements.

Grants received

Grateful thanks are made to the Trustees of the Sir Harold Hood Charitable Trust for grants to individuals, to the Master of the Guild of Our Lady of Ransom for a grant for poor parishes and to an individual for making a substantial grant for the Cathedral choristers over a number of years.

Grants received have been specifically notified by the following Parishes: under the Listed Places of Worship Scheme (Value Added Tax) by Grimsby St Mary's, Nottingham Cathedral and Nottingham Good Shepherd Parishes; from Historic Churches and from Archbishops' Council by Nottingham Cathedral Parish; from Derbyshire County Council by Shirebrook Parish; and from Listed Places of Worship Roof repairs by Nottingham St Augustine's parish.

Many other individuals and organisations have made grants and donations to parishes which have not been brought to the attention of the Directors and are therefore not formally mentioned here. Nevertheless both these and generous legacies have been very gratefully received and the thanks of the Directors are recorded for those who have made these kind gifts.

Interest rates

During the year interest rates remained at historically low levels. As a net saver this has severely reduced the income of the Diocese.

Listed Investments

The listed investments are, with a minor exception, managed by the Investment Managers, in accordance with an investment policy determined by the Directors. This policy is generally to maximise the total return from the investments on a medium to higher risk basis. These listed investments are held in the name of the Investment Manager's nominee company, on behalf of the Diocese. The investment policy adopted by the Diocese provides for divestment to be required if it considers that a particular investment is not an appropriate holding for a Catholic diocese. The Diocese is a member of the Churches Investors Group, which is a group of religious charities which encourages high ethical standards of public companies. The two main funds, the Grouped Fund and the Sick and Retired Priests Fund achieved returns of 21.9% and 19.6% respectively (2016: 15.3% and 14.1%) against their benchmark of 19.5% (2016: 17.1%).

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Directors' Report for the year ended 31st March 2017

FINANCIAL REVIEW (continued)

Listed Investments (continued)

Additional funds were passed on to the Investment Manager during the year in particular those received as a result of the retired priests appeal. In view of the continued low interest rates being received on the money market additional funds were also passed on for the Fixed Interest Fund. Details of the movements in investments and their performance are included in Note 7 on page 26 of these accounts.

Fundraising

Fundraising generally takes place in Parishes. A professional fundraiser, with its own Code of Practice, has been contracted in relation to the appeal for the Sick and Retired Priests Fund. Having reviewed the Code of Practice and monitored the activities of the fundraiser the Diocese is not aware of any failure to comply.

Volunteers

The Diocese makes considerable use of volunteers in its work, particularly in parishes. It is not practicable to value the time spent by volunteers.

PLANS FOR FUTURE PERIODS

Parish Accounting

Internal control is being developed in order to improve the financial information available. At the same time consideration is being given as to how the Curia can better support its Parishes particularly as in the future they will be combined to form larger Parishes or will be grouped under one or more priests.

Quinquennial Property Inspections

These have been commenced and will continue until completed. In some cases urgent work has been identified during the course of these inspections and this is being carried out as a priority.

Health and Safety

The Health and Safety Committee of the Board is continually striving to improve its systems and practices in the Diocese in conjunction with a firm of Health and Safety advisers selected by the Diocese's insurers.

Sick and Retired Priests Fund

The Sick and Retired Priests Fund, a separate charity of which the Diocese is trustee, provides grants to sick and retired priests of the Diocese. In view of the large number of priests approaching the priests' retirement age of 75, the Directors have set up an appeal for the Sick and Retired Priests Fund. This will provide sufficient funds for grants to those priests who require them as well as provide an ongoing basis for funding these for the future. This appeal will finish during the course of the year 2017/8 and the need to provide for any shortfall will be considered. The administrative costs of the appeal have been funded from legacies left to the Diocese.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Diocese as a charitable company, limited by guarantee, is governed under its Memorandum and Articles of Association. The Directors are the members of the company who also appoint new directors. Major decisions are made by the Directors. Other decisions may be delegated to committees or to individuals. Under the Articles, the Bishop is ex officio Chairman. He, or if there is no Bishop, the person on whom the governance of the Diocese falls, may require that decisions with which he disagrees be not put into effect.

The affairs of the Diocese are conducted in accordance both with the national law of the United Kingdom and with the canon law of the Catholic Church. The canon law of the Catholic Church provides the internal rules under which it operates and specifically requires that the civil law is generally observed.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Directors' Report for the year ended 31st March 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Directors are responsible for the management of the charity under the national law. They also act as the Finance Committee of the Diocese under canon law. Under canon law the College of Consultors of the Diocese must be consulted before any major acts of administration and before any substantial alienation of property. The Financial Secretary has been appointed Oeconomus of the Diocese under canon law.

Training of New Directors

New Directors are provided with key documents for the Diocese, including the Memorandum and Articles of Association, the latest Annual Report and Accounts and other financial papers and the minutes of previous meetings. Unless already aware of their responsibilities as a charity trustee, for example through already being a director or trustee of another large charity, they are also provided with copies of relevant Charity Commission guidance. The Financial Secretary is responsible for this and will also meet new appointees to provide further training on an individual basis.

Senior Staff pay

The pay of senior staff is determined and reviewed by a committee of the Directors taking into account the work carried out for the previous year, proposed for future years, published remuneration surveys and the need to pay a sufficient amount to attract senior staff to replace those leaving the employment of the Diocese.

Cooperation with other Bodies

The Diocese co-operates with other Catholic dioceses and those of the Church of England. It contributes, with other Catholic dioceses, to a number of national organisations set up by the Catholic Bishops' Conference of England and Wales, principally, the Catholic Trust of England and Wales.

Sick and Retired Priests Fund

The accounts of the Sick and Retired Priests Fund (registered charity number 510119), of which the Diocese is trustee, have been consolidated with the accounts of the Diocese. The Sick and Retired Priests Fund Committee authorises payments to or on behalf of the sick and retired priests of the Diocese on its behalf on the basis of need.

PRINCIPAL RISKS AND UNCERTAINTIES

The main risks likely to affect the Diocese together with ways for ameliorating these are as follows:

Governance

The structure of the Diocese means that its parishes have some independence from it notwithstanding that their activities remain the responsibility of the Board of Directors. Information systems are established to monitor these activities where necessary. An internal audit programme to support parishes and to improve internal control, has been set up. A report is made to the Financial Secretary following each visit and matters arising are followed up.

Financial

The income of the Diocese is mostly by voluntary contributions but also from the return on its assets including investments and cash balances held by parishes. The income of the Diocese, including regular voluntary contributions is not generally keeping pace with inflation. The return on cash balances held by parishes has declined very substantially as a result of the general fall in interest rates.

An appeal has been set up for the support of the sick and retired priests of the Diocese. Should it not reach its target then there will be a continued unfunded financial liability for them.

Quinquennial inspections are revealing matters requiring urgent attention in the properties occupied by parishes.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Directors' Report for the year ended 31st March 2017

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Operational

It is considered that the loss of a senior staff member could be covered for a short period while recruitment takes place of a successor. A Financial Secretary from another diocese has been appointed to the Board of directors who can be consulted specifically in the case of absence or illness of the Financial Secretary.

By operating over a larger area it can be difficult to communicate with the parishes of the Diocese. Use of electronic communications is assisting with this.

Dealing with a large amount of cash requires the setting up of special control procedures so that, as far as possible, there is always more than one person present at any time when cash is being handled.

The Health and Safety Committee of the Board receives reports from parishes, makes recommendations and sets out requirements as appropriate in furtherance of the objective of improving health and safety within the Diocese. The insurers have selected a national firm of health and safety consultants which are assisting the Diocese in this work. They have approved the diocese's procedures.

External

In common with other religious charities, reputational risk may arise in particular from historical abuse cases. The Diocese has a communications officer to assist with the coordination of responses to press interest in these or similar matters.

REFERENCE AND ADMINISTRATIVE DETAILS

| | | |
|--------------------------|--|-------------------------------|
| <i>Name:</i> | Nottingham Roman Catholic Diocesan Trustees (the Diocese in these accounts) | |
| <i>Company number</i> | 7151646 | <i>Charity number</i> 1134449 |
| <i>Registered Office</i> | Willson House 25 Derby Road Nottingham NG1 5AW | |
| <i>Directors</i> | Right Reverend P.J. McKinney STL (Chairman of the Board of Directors <i>ex officio</i>) Reverend Monsignor Canon T. P. McGovern Prot Ap, VG Reverend Canon E. Jarosz Reverend T. M. Moore Reverend P.J. Guest BA, STL, PhL, VG Reverend M Hardy BA, STL Reverend P. Chipchase (appointed 15 th June 2017) Reverend J Wheat (appointed 21 st September 2017) Mr M. Abbott MRICS Miss K. Cohoon LIB Mr M. Linnett FCA (resigned 10 th February 2017) Mr D. Wilson Mr C. S. Sowman FCA Mr E. Whittaker | |

The late Mr Linnett, a Chartered Accountant, who resigned from the Board of Directors during the year, has died since the year end. He was one of the first lay people to be appointed a director when the Diocese was incorporated in 2010 and before that he attended meetings of the trustees as an observer. The Board would like to record its thanks to him for all of the support he has given to it and to the Diocese as a whole and to the Church generally over a very large number of years. A number of directors were able to be present at his very well attended funeral, those who were priests concelebrating.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Directors' Report for the year ended 31st March 2017

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Building and Sites Committee; Health and Safety Committee

Right Reverend P.J. McKinney STL (Chairman)

Reverend Monsignor Canon T.P. McGovern Prot Ap, VG

Mr M. Abbott MRICS

Miss K. Cohoon LIB

Mr M.J. Linnett FCA (resigned 10th February 2017)

*Reverend J. Kyne VF

*Reverend P. McBrien

*Mr James Rawlings (appointed 9th March 2017)

Sick and Retired Priests Fund Committee

Reverend Monsignor Canon T. P. McGovern Prot Ap VG

Reverend P. J. Guest BA, STL, PhL, VG

Reverend T. M. Moore

*Reverend J. Martin (Bishop's Chaplain for Sick and Retired Priests, member from 15th June 2017)

*Reverend P. Newman (Formerly Bishop's Chaplain for Sick and Retired Priests, member to 15th June 2017)

*Sister Aine Costello (Assistant Bishop's Chaplain for Sick and Retired Priests)

*Rev Mr Anthony Cordes

*Mr E. S. Poyser

*Mr C.B.A. Reynolds

*indicates non voting members.

*Moderator of the Curia and Episcopal Vicar for Finance
and Administration*

Rev P. J. Guest BA, STL, PhL, VG

(Since the year end Fr Guest has been replaced by Fr P Chipchase as *Episcopal Vicar for Finance and Administration*)

Financial Secretary of the Diocese, Company

Secretary and Oeconomus

Mr E. S. Poyser BA, FCA

Professional advisers:

*Indicates organisations set up in co-operation with other Catholic Dioceses in England and Wales.

Main Bankers

Lloyds Bank plc
Old Market Square
Nottingham NG1 6FD

Solicitors

Massers
15 Victoria Street
Nottingham NG2 6BT

Solicitors (Schools)

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham NG2 1BJ

Auditors

Higson & Co
Statutory Auditor
White House
Wollaton Street
Nottingham NG1 5GF

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Directors' Report for the year ended 31st March 2017

Professional advisers (continued):

Investment Manager

Quilter Cheviot
1 Kingsway
London WC2B 6AN

Property Advisers

Spencer Birch
8 Clarendon Street
Nottingham NG1 5HQ

Insurers

*Catholic Insurance Service (Catholic Church Insurance Association)
Oakley House
Mill Street
Buckinghamshire HP20 1BN

*Catholic National Mutual Limited (incorporated in Guernsey)
Maison Trinity
Trinity Square
Guernsey GY1 4LP

Fuel Suppliers

*Inter Diocesan Fuel Management Limited
2 Park Row South
Birkenhead
Wirral CH43 4UX

Stationery Suppliers

*Church Marketplace Limited
Vaughan House
46 Francis Street
London SW10 1QN

Health and Safety Consultants

Ellis Whittam
Woodhouse
Aldford
Cheshire
CH3 6JD

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Directors' Report for the year ended 31st March 2017

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Directors are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the annual report, the strategic report and the financial statements in accordance with applicable law including the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales requires the Directors 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 surplus or deficit of the charity for that period. In preparing these financial statements, the Directors are required to:

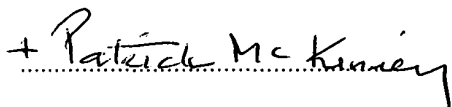
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the applicable law and provisions of the trust deeds. The Directors are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution proposing the reappointment of Higson & Co will be put to the Members of the charity.

On behalf of the Board

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Right Reverend P.J. McKinney Bishop of Nottingham and Chairman of the Board of Directors

Dated 7th December 2017

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES

We have audited the financial statements of Nottingham Roman Catholic Diocesan Trustees for the year ended 31st March 2017 which comprise the Group Statement of Financial Activities, the Consolidated and Diocese Balance Sheet, the Group and Diocese 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of trustees and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and report in accordance with this 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31st March 2017, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES (CONTINUED)

Matters on which we are required to report by exception

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

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



David Wallwork BA FCA
(senior statutory auditor)
For and on behalf of Higson & Co
Statutory Auditor

White House
Wollaton Street
Nottingham
NG1 5GF

7th December 2017

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Consolidated Statement of Financial Activities - year ended 31st March 2017

| Income and Expenditure Account | Note | PARISHES | Unrestricted | CURIA | Total | Total 2017 | Total 2016 |
|--|-------|----------------|---------------|----------------|----------------|----------------|----------------|
| | | Restricted | including | Restricted | | | |
| | | £000s | Designated | Endowment | £000s | £000s | £000s |
| Income and endowments from: | 2 & 3 | | | Sep Charity | | | |
| Donations and legacies | | 8,467 | 7 | 799 | 806 | 9,273 | 8,820 |
| Charitable activities | | 343 | 132 | - | 132 | 475 | 720 |
| Other trading activities | | 561 | - | - | - | 561 | 537 |
| Investments | | 310 | 290 | 327 | 617 | 927 | 895 |
| Other | | 54 | 60 | - | 60 | 114 | 556 |
| Total | | 9,735 | 489 | 1,126 | 1,615 | 11,350 | 11,528 |
| Expenditure on: | 2 & 3 | | | | | | |
| Raising funds | | 112 | 30 | 10 | 40 | 152 | 135 |
| Charitable activities | | 7,439 | 1,353 | 411 | 1,764 | 9,203 | 9,878 |
| Other | | - | - | - | - | - | - |
| Total | | 7,551 | 1,383 | 421 | 1,804 | 9,355 | 10,013 |
| Net realised gains/ (losses) on investments | 7 | 7 | 11 | 189 | 200 | 207 | (61) |
| Net Income/ Expenditure | | 2,191 | (883) | 894 | 11 | 2,202 | 1,454 |
| Transfers between funds | 2 & 3 | (1,388) | 1,290 | 98 | 1,388 | - | - |
| Unrealised gains/(losses) on investments | 7 | 42 | 120 | 1,459 | 1,579 | 1,621 | (717) |
| Net Movement of Funds | | £845 | £527 | £2,451 | £2,978 | £3,823 | £737 |
| Accumulated funds | | | | | | | |
| Funds brought forward | | 42,112 | 6,054 | 9,756 | 15,810 | 57,922 | 57,185 |
| Total recognised surplus/ (deficit) for the year | | 845 | 527 | 2,451 | 2,978 | 3,823 | 737 |
| Total funds carried forward | | £42,957 | £6,581 | £12,207 | £18,788 | £61,745 | £57,922 |

The notes form part of these accounts.

All gains and losses in the year are included above.

The figures for 2017 and the comparative figures for 2016 are in respect of continuing operations.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Consolidated and the Diocese Balance Sheets as at 31st March 2017

| | PARISHES | | CURIA | | | CONSOLIDATED | | THE DIOCESE | |
|--|-----------------|-----------------------------|--|---|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | Note | Restricted £000s | Unrestricted including Designated £000s | Restricted Endowment Sep Charity £000s | Total £000s | Total 2017 £000s | Total 2016 £000s | Total 2017 £000s | Total 2016 £000s |
| Fixed assets | | | | | | | | | |
| Tangible Assets | 6 | 26,165 | 2,798 | - | 2,798 | 28,963 | 29,590 | 28,963 | 29,590 |
| Investments | 7 | 2,165 | 3,794 | 11,786 | 15,580 | 17,745 | 13,971 | 12,766 | 10,428 |
| Total fixed assets | | 28,330 | 6,592 | 11,786 | 18,378 | 46,708 | 43,561 | 41,729 | 40,018 |
| Long term assets | 8 | - | 1,500 | - | 1,500 | 1,500 | 1,506 | 1,500 | 1,507 |
| Current assets | | | | | | | | | |
| Debtors and prepayments | 9 | 502 | 110 | - | 110 | 612 | 554 | 612 | 553 |
| Cash at bank and in hand | 10 | 14,372 | 37 | 421 | 458 | 14,830 | 14,389 | 14,641 | 14,229 |
| Total current assets | | 14,874 | 147 | 421 | 568 | 15,442 | 14,943 | 15,253 | 14,782 |
| Liabilities | | | | | | | | | |
| Creditors due within 1 year | 11 | (263) | (239) | - | (239) | (502) | (680) | (502) | (680) |
| Net current assets/ (liabilities) | | 14,611 | (92) | 421 | 329 | 14,940 | 14,263 | 14,751 | 14,102 |
| Total assets less current liabilities | | 42,941 | 8,000 | 12,207 | 20,207 | 63,148 | 59,330 | 57,980 | 55,627 |
| Creditors due after one year | 12 | - | (1,403) | - | (1,403) | (1,403) | (1,408) | (1,403) | (1,408) |
| Intra diocesan balance | | 16 | (16) | - | (16) | - | - | - | - |
| Net assets | | £42,957 | £6,581 | £12,207 | £18,788 | £61,745 | £57,922 | £56,577 | £54,219 |
| The Funds of the Charity | | | | | | | | | |
| Separate charity | | - | - | 5,168 | 5,168 | 5,168 | 3,703 | - | - |
| Endowment Funds | | - | - | 149 | 149 | 149 | 143 | 149 | 143 |
| Restricted Funds | | 42,957 | - | 6,890 | 6,890 | 49,847 | 48,022 | 49,847 | 48,022 |
| Designated Funds | | - | 913 | - | 913 | 913 | 507 | 913 | 507 |
| General Unrestricted Funds | | - | 5,668 | - | 5,668 | 5,668 | 5,547 | 5,668 | 5,547 |
| Total Charity Funds | | £42,957 | £6,581 | £12,207 | £18,788 | £61,745 | £57,922 | £56,577 | £54,219 |

Approved by the Board of Directors on 7th December 2017.

+ Patrick McKinney
 Company Registration Number - 7151646

Right Reverend P.J. McKinney, Bishop of Nottingham
 Chairman of the Board of Directors

The notes form part of these accounts.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES**Consolidated Statement of cash flows for the year ended 31st March 2017**

| | <u>2017</u> <u>£000s</u> | <u>2016</u> <u>£000s</u> |
|--|---|---|
| Cash flows from operating activities: | | |
| <i>Net cash provided by/ (used in) operating activities</i> | <u>1,623</u> | <u>1,447</u> |
| Cash flows from investing activities: | | |
| Dividends, interest and rent from investments | 927 | 895 |
| Proceeds from the sale of property, plant and equipment | 282 | 509 |
| Purchase of property, plant and equipment | (444) | (995) |
| Proceeds from sale of investments | 1,307 | 673 |
| Purchase of investments | (3,254) | (1,368) |
| <i>Net cash flow investing activities</i> | <u>(1,182)</u> | <u>(286)</u> |
| <i>Change in cash and cash equivalents</i> | | |
| <i>in the reporting period</i> | 441 | 1,161 |
| Cash and cash equivalents at the beginning of the reporting period | 14,389 | 13,228 |
| <i>Cash and cash equivalents at the end of the reporting period</i> | <u>£14,830</u> | <u>£14,389</u> |

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Consolidated Statement of cash flows for the year ended 31st March 2017 (continued)

| | <u>2017</u> <u>£000s</u> | <u>2016</u> <u>£000s</u> |
|---|---|---|
| Reconciliation of net income/ (expenditure) to net cash flow from operating activities | | |
| <i>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</i> | 3,823 | 737 |
| <i>Adjustments for:</i> | | |
| Depreciation charges | 849 | 850 |
| (Gains) / losses on investments | (1,827) | 777 |
| Dividends, interest and rent from investments | (927) | (895) |
| Loss/ (profit) on sale of fixed assets | (60) | (227) |
| (Increase)/ decrease in debtors | (52) | 22 |
| Increase/ (decrease) in creditors | (183) | 183 |
| <i>Net cash provided by/ (used in) operating activities</i> | <u>1,623</u> | <u>1,447</u> |
| Analysis of cash and cash equivalents | | |
| Money Market deposits | 12,416 | 11,601 |
| Cash at bank and in hand | 2,414 | 2,788 |
| Total cash and cash equivalents | <u>£14,830</u> | <u>£14,389</u> |

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes and Accounting Policies for the year ended 31st March 2017

1. Accounting Policies

The Nottingham Roman Catholic Diocesan Trustees is a company limited by guarantee and a charity governed by its memorandum and articles of association and incorporated in England and Wales. The members are its Directors and their liability in usual circumstances is limited to an amount not exceeding £10. The principal activity is that of a religious charity responsible for the civil affairs of the Roman Catholic Diocese of Nottingham.

The preparation of the Diocese's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in material adjustments to the carrying amount of the asset or liability.

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year, except where stated.

1.1 Basis of Accounting

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), notwithstanding that the current Charities (Accounts and Reports) Regulations 2008 refer to the previous Charities SORP, and the Companies Act 2006.

As there are no material uncertainties about the Diocese's ability to continue, the accounts have been prepared on a going concern basis. The reporting is in pounds sterling. Nottingham Roman Catholic Diocesan Trustees meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 Basis of Consolidation

The consolidated accounts include those of the Diocese and the Sick and Retired Priests Fund for which the Diocese acts as trustee. The separate Balance Sheet for the Diocese, excluding the balances attributable to the Sick and Retired Priests Fund, is shown on page 13 with the Consolidated Balance Sheet.

As stated in note 19 the Diocese holds a number of assets as trustee. The values of and transactions associated with those assets have been reported as stated in that note.

1.3 Funds

The accounts distinguish between those funds which are unrestricted income funds, and those which are restricted funds and special trusts. The unrestricted income funds may be used for any charitable purpose permitted under the Trust Deed. The unrestricted income funds include designated funds which have been designated by the Directors to a particular purpose; the designation may be removed by them. The restricted funds and permanent endowment funds are required to be used for a specific purpose. There are restrictions on spending the capital of the permanent endowment funds.

The accounts further distinguish between the Parishes and the Curia. Under national law all of the affairs of the Diocese, including those of the Parishes, are those of the charity and are the responsibility of its Directors. Under canon law each Parish is a "Juridical Person" and its funds are required to be held separately for each Parish. Accordingly, apart from any property occupied by Parishes as permanent endowment property and held by the Diocese as trustee, the funds described as Parishes' funds are restricted funds.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes and Accounting Policies for the year ended 31st March 2017 (continued)

1.4 Incoming resources

Incoming resources are included in the Statement of Financial Activities on the basis of the amounts receivable for the year. Legacies are included when there is sufficient probability of receipt as at the end of the year. Investment income is included when it is received. Gift Aid refunds are included for the year to which they relate. It is not practicable to value the time spent by volunteers nor donated goods, facilities or services.

1.5 Resources expended

Resources expended are recognised in the Statement of Financial Activities when a legal or constructive obligation has arisen. Irrecoverable VAT is included in the related expenditure.

1.6 Pension Schemes

The Diocese has two defined contribution pension schemes, one for priests and one for employees, the latter being used for autoenrolment. The contributions are held in separately administered funds. The Pension Scheme contributions are charged to the Income and Expenditure account as they are incurred.

1.7 Grants received

Grants receivable are taken to income in the year in which they are received.

1.8 Taxation

As a registered charity, the charity is generally exempt from taxation on its income and gains arising out of its charitable activities.

1.9 Tangible Fixed Assets (including leasehold property)

Functional land and buildings held by the Parishes at 31 March 1996 and those held by the Curia at 31 March 1999 were revalued, excluding land, using insurance values as the basis. Properties purchased since that date have been included at cost, including land. Functional tangible fixed assets otherwise acquired since those dates, including contents, have been included at valuation. The opportunity has been taken under Charities SORP FRS 102 to include the valuations at which the properties were held as deemed costs. Accordingly properties are stated in the accounts at cost or deemed cost as the case may be.

The contents of the buildings held by the parishes at 31st March 1996 were included from that date using insurance values as the basis.

Depreciation rates have been applied as follows in order to write off the assets concerned by equal annual instalments over their estimated useful lives:

| | |
|------------------------------|-----------------|
| Land | No depreciation |
| Buildings | 2% |
| Contents of parish buildings | 10% |
| Other fixed assets | 10% |

Amortisation has been applied to long leasehold properties and is included in the depreciation charge in the Statement of Financial Affairs on the following basis:

| | |
|-----------|----|
| Buildings | 2% |
|-----------|----|

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes and Accounting Policies for the year ended 31st March 2016 (continued)

1.10 Investments

Investments held as fixed assets, other than property investments, are revalued at mid-market value at the balance sheet date. The unquoted investments, being companies set up in conjunction with other dioceses in the United Kingdom with their surplus income being refunded to the dioceses directly, are valued at cost.

Investment land and buildings are stated in the accounts at the Directors' valuation based on insurance values as at 31st March 1996 or subsequently. There is no intention of disposing of such property, some of which has been received by gift. In consequence the directors believe that the value of such land and buildings cannot be measured without undue cost or effort. It is considered that the values are generally in excess of the amount at which they are stated in the accounts.

Social investment land and buildings, other than that occupied by the schools of the Diocese, held both to support the activities of the Diocese and to provide a return are stated either at cost or deemed cost as the case may be.

Land and buildings occupied by the schools of the Diocese have not been included in the financial statements since the amount which would be due to the Diocese from their sale after accounting for the state funding received cannot be determined without undue cost or effort.

Gains and losses on investments are reported in the Group Statement of Financial Affairs.

1.11 Debtors

Debtors represent amounts which the Diocese expects to receive at the balance sheet date less any reduction for amounts which are or may be unreceivable. These also include the unexpired amount of expenditure incurred before that date.

1.12 Creditors

Creditors represent amounts which the Diocese expects to pay at the balance sheet date. It includes any amount set aside to provide for expenditure where there is a reasonable expectation that it may become payable.

1.13 Activities

All of the activities of the Diocese are directed toward the salvation of souls. Accordingly further analysis of them or of supporting costs is not provided.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES**Notes & Accounting Policies for the year ended 31st March 2017 (continued)**

| | <u>Total</u> <u>2017</u> <u>£000s</u> | <u>Total</u> <u>2016</u> <u>£000s</u> |
|--|--|--|
| <u>2. Parishes</u> | | |
| <u>INCOME AND ENDOWMENTS FROM:</u> | | |
| <u>Donations and legacies</u> | | |
| Regular collections | 4,208 | 4,225 |
| Special purpose collections | 733 | 829 |
| Donations | 745 | 771 |
| Grants received | 158 | 153 |
| Legacies | 1,310 | 658 |
| Gift aid refunds | 749 | 756 |
| Miscellaneous | 564 | 521 |
| Totals | <u>8,467</u> | <u>7,913</u> |
| <u>Income from charitable activities</u> | | |
| Repository Income | 310 | 312 |
| Chaplaincy | 33 | 25 |
| Totals | <u>343</u> | <u>337</u> |
| <u>Income from other trading activities</u> | | |
| Fundraising | <u>561</u> | <u>537</u> |
| <u>Investments</u> | | |
| Rents receivable | <u>310</u> | <u>295</u> |
| <u>Other income</u> | | |
| Profit on disposal of property | <u>54</u> | <u>556</u> |
| <u>Total income and endowments</u> | <u>9,735</u> | <u>9,638</u> |
| <u>EXPENDITURE ON:</u> | | |
| <u>Expenditure on raising funds</u> | | |
| Fundraising costs | <u>112</u> | <u>96</u> |
| <u>Expenditure on charitable activities</u> | | |
| Special purpose collections payable | 649 | 818 |
| Church and hall costs | 1,826 | 1,650 |
| Presbytery and housekeeping | 880 | 882 |
| Insurance | 199 | 246 |
| Major maintenance | 940 | 1,505 |
| Clergy payments | 518 | 520 |
| Staff costs | 549 | 493 |
| Office expenses | 361 | 354 |
| Travel, conferences, retreats | 203 | 192 |
| School contributions | 7 | 11 |
| Repository expenditure | 185 | 183 |
| Donations | 218 | 182 |
| Depreciation | 790 | 790 |
| Miscellaneous | 114 | 140 |
| Totals | <u>7,439</u> | <u>7,966</u> |
| <u>Total expenditure</u> | <u>7,551</u> | <u>8,062</u> |
| <u>Net income/ (expenditure)</u> | <u>2,184</u> | <u>1,576</u> |

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES**Notes & Accounting Policies for the year ended 31st March 2017 (continued)**

| <u>2. Parishes (continued)</u> | <u>Total</u> <u>2017</u> <u>£000s</u> | <u>Total</u> <u>2016</u> <u>£000s</u> |
|---|--|--|
| <u>Net income/ (expenditure)</u> | | |
| Brought forward from previous page | <u>2,184</u> | <u>1,576</u> |
| <u>TRANSFERS BETWEEN FUNDS</u> | | |
| Interest received from Curia | 63 | 60 |
| Donations from Curia | 28 | 97 |
| Transfer of University Chaplaincy building | - | 453 |
| Transfer of Cathedral Choristers Fund | - | 29 |
| Diocesan quota | (1,040) | (1,031) |
| Diocesan quota - Quinquennial Inspection Fund | (261) | - |
| Interest paid to Curia | (13) | (14) |
| Donations to Curia | (165) | (90) |
| Totals | <u>(1,388)</u> | <u>(496)</u> |
| Unrealised gains/ (losses) on investments | <u>49</u> | <u>(8)</u> |
| <u>Net movement in funds</u> | <u>£845</u> | <u>£1,072</u> |

The following parishes received grants from the Guild of Our Lady of Ransom included above in Donations from Curia.

| | <u>2017</u> <u>£000s</u> |
|---|---|
| Brigg | 5 |
| Leicester Sacred Heart and St Margaret Mary | 5 |
| Mansfield St Patrick | 5 |
| Shirebrook | 5 |
| | <u>£20</u> |

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes & Accounting Policies for the year ended 31st March 2017 (continued)
3. Curia

| | UNRESTRICTED | | | | | RESTRICTED, ENDOWMENT AND SEPARATE CHARITY | | | | |
|---|------------------|------------------|---------------------|------------------------|------------------------|--|--------------------|------------------------------|------------------------|------------------------|
| | General £000s | Mission £000s | Designated £000s | Total 2017 £000s | Total 2016 £000s | Restricted £000s | Endowment £000s | Separate Charity £000s | Total 2017 £000s | Total 2016 £000s |
| INCOME AND ENDOWMENTS FROM: | | | | | | | | | | |
| Donations and legacies | | | | | | | | | | |
| Donations | - | - | 5 | 5 | 5 | 26 | - | 632 | 658 | 685 |
| Gift Aid | - | - | - | - | 1 | 1 | - | 80 | 81 | 165 |
| Collections | - | - | - | - | - | 58 | - | - | 58 | 51 |
| Legacies | 2 | - | - | 2 | - | - | - | 2 | 2 | - |
| Totals | 2 | - | 5 | 7 | 6 | 85 | - | 714 | 799 | 901 |
| Charitable activities | | | | | | | | | | |
| Miscellaneous income | 44 | - | 13 | 57 | 90 | - | - | - | - | - |
| Income from courses | - | 61 | 14 | 75 | 66 | - | - | - | - | - |
| Sale of Social Property Investment | - | - | - | - | 104 | - | - | - | - | - |
| Totals | 44 | 61 | 27 | 132 | 260 | - | - | - | - | - |
| Investments | | | | | | | | | | |
| Rents receivable | 70 | - | - | 70 | 72 | - | - | - | - | - |
| Dividends and interest | 52 | - | 16 | 68 | 60 | 203 | 7 | 114 | 324 | 306 |
| Money Market interest | 149 | - | 3 | 152 | 159 | 3 | - | - | 3 | 3 |
| Totals | 271 | - | 19 | 290 | 291 | 206 | 7 | 114 | 327 | 309 |
| Other income | | | | | | | | | | |
| Profit on sale of property | 60 | - | - | 60 | 123 | - | - | - | - | - |
| Totals | 377 | 61 | 51 | 489 | 680 | 291 | 7 | 828 | 1,126 | 1,210 |
| EXPENDITURE ON: | | | | | | | | | | |
| Raising funds | | | | | | | | | | |
| Investment property costs | 28 | - | - | 28 | 37 | - | - | - | - | - |
| Investment management costs | 1 | - | 1 | 2 | 2 | 6 | - | 4 | 10 | - |
| Totals | 29 | - | 1 | 30 | 39 | 6 | - | 4 | 10 | - |
| Charitable activities | | | | | | | | | | |
| Costs of courses | - | 51 | 10 | 61 | 60 | - | - | - | - | - |
| Office and travel costs | 117 | 11 | 12 | 140 | 148 | 3 | - | - | 3 | 5 |
| Grants made | 20 | 147 | - | 167 | 241 | 12 | - | - | 12 | 7 |
| Staff costs | 321 | 109 | 43 | 473 | 433 | - | - | - | - | - |
| Clergy costs | 84 | - | - | 84 | 79 | - | 4 | 236 | 240 | 225 |
| Professional fees | 36 | - | 42 | 78 | 61 | - | - | - | - | - |
| Clergy Training fees | - | - | - | - | - | 149 | - | - | 149 | 234 |
| Safeguarding | 66 | - | - | 66 | 66 | - | - | - | - | - |
| Catholic Trust of England and Wales | 83 | - | - | 83 | 78 | - | - | - | - | - |
| Property maintenance | 62 | - | - | 62 | 123 | - | - | - | - | - |
| Depreciation and amortisation | 59 | - | - | 59 | 60 | - | - | - | - | - |
| Miscellaneous | 38 | 16 | 26 | 80 | 81 | 2 | - | 5 | 7 | 11 |
| Totals | 886 | 334 | 133 | 1,353 | 1,430 | 166 | 4 | 241 | 411 | 482 |
| Totals | 915 | 334 | 134 | 1,383 | 1,469 | 172 | 4 | 245 | 421 | 482 |
| Realised gains/ (losses) on investments | (6) | - | 17 | 11 | (18) | 157 | - | 32 | 189 | (43) |
| Amounts carried forward | (544) | (273) | (66) | (883) | (807) | 276 | 3 | 615 | 894 | 685 |

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes & Accounting Policies for the year ended 31st March 2017 (continued)

3. Curia (continued)

| | UNRESTRICTED | | | | | RESTRICTED, ENDOWMENT AND SEPARATE CHARITY | | | | |
|--|--------------|---------------|-------------|---------------|---------------|--|---------------------|---------------|---------------|---------------|
| | General | Mission | Designated | Total 2017 | Total 2016 | Restricted Endowment | Separate Charity | Total 2017 | Total 2016 | |
| Amounts brought forward | (544) | (273) | (66) | (883) | (807) | 276 | 3 | 615 | 894 | 685 |
| TRANSFERS BETWEEN FUNDS | | | | | | | | | | |
| Diocesan Quota | 1,040 | - | - | 1,040 | 1,031 | - | - | - | - | - |
| Special Quota - Quinquennial insps | - | - | 261 | 261 | - | - | - | - | - | 1 |
| Interest received from parishes | 13 | - | - | 13 | 14 | - | - | - | - | - |
| Donations received from parishes | - | - | - | - | - | 8 | - | 157 | 165 | 91 |
| Interest paid to parishes | (63) | - | - | (63) | (60) | - | - | - | - | - |
| Donations paid to parishes | (5) | - | - | (5) | (41) | (22) | (1) | - | (23) | (43) |
| Transfer of Cathedral Choristers Fund | - | - | - | - | - | - | - | - | - | (30) |
| Derby University Chaplaincy | - | - | - | - | - | - | - | - | - | (466) |
| Legacy Fund transfer | (2) | - | 2 | - | - | - | - | - | - | - |
| Sick and Retired Priests Fund | (90) | - | - | (90) | (90) | - | - | 90 | 90 | 90 |
| Legion of Mary Senatus transfer | - | - | 134 | 134 | - | (134) | - | - | (134) | - |
| Extraord Ministers of Holy Communion | (13) | - | 13 | - | - | - | - | - | - | - |
| Other transfers | - | - | - | - | 2 | - | - | - | - | (2) |
| Totals | 880 | - | 410 | 1,290 | 856 | (148) | (1) | 247 | 98 | (359) |
| Net income/ (expenditure) for the year | 336 | (273) | 344 | 407 | 49 | 128 | 2 | 862 | 992 | 326 |
| Unrealised gains/ (losses) on investments | 56 | - | 64 | 120 | (51) | 852 | 3 | 604 | 1,459 | (658) |
| Net movement of funds | £392 | £(273) | £408 | £527 | £(2) | £980 | £5 | £1,466 | £2,451 | £(332) |

| | 2017 £000s | 2016 £000s |
|---|---------------|--|
| The following grants, transfers and other payments have been made and are included above: | | |
| Housekeepers Retirement Fund | 20 | 20 <i>A separate charity connected with the Diocese.</i> |
| Family Care | 66 | 66 <i>For safeguarding services.</i> |
| Catholic Trust of England and Wales | 83 | 78 <i>An organ of the Catholic Bishops' Conference of England and Wales.</i> |
| University chaplaincies (grants) | 27 | 25 <i>For University chaplaincies located within the Diocese.</i> |
| University chaplaincies (salaries for lay chaplains) | 37 | 34 <i>For Nottingham, Nottingham Trent, Derby and Lincoln Universities</i> |
| Nottingham Roman Catholic Diocesan Education Service | 73 | 75 <i>A separate charity connected with the Diocese.</i> |
| Diocesan Youth Service | 32 | 32 <i>A separate charity connected with the Diocese.</i> |
| Travelling People Mission | 10 | 10 <i>Paid to an order of nuns.</i> |
| Sick and Retired Priests (to individuals) | 164 | 159 <i>Grants for diocesan priests from Sick and Retired Priests Fund.</i> |
| Sick and Retired Priests (other costs) | 71 | 62 <i>Other payments for Diocesan priests from Sick and Retired Priests Fund.</i> |
| Training of priests and deacons (after parishes' contributions) | 149 | 234 <i>Paid mostly to seminaries in the UK and abroad.</i> |
| Sick and Retired Priests Fund (transfer from Diocese) | 90 | 90 <i>A separate charity connected with the Diocese of which the Diocese is trustee.</i> |
| Retired Priests Appeal Administration (transfer from Legacy Fund) | 50 | 50 <i>To continue financing of separate office.</i> |

Nottingham Roman Catholic Diocesan Education Service occupies property at Mackworth owned by the Diocese for which no rent is charged.
The Diocesan Youth Service occupies property at Crich partly owned directly by themselves (although registered to the Diocese), partly owned directly by the Diocese and partly owned jointly with the Diocese for which no rent is charged.

The Bishop, the Rev M. Hardy and Mr D. Wilson are directors of the Diocese and of Nottingham Roman Catholic Diocesan Education Service.
The Bishop and the Rev P.J. Guest are directors of the Diocese and trustees of the Diocesan Youth Service.
The Company Secretary is a director of the Catholic Trust of England and Wales.

Professional fees includes audit fees of £15,000 (2016: £12,000). No other amounts were paid to the auditor.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes & Accounting Policies for the year ended 31st March 2017 (continued)

4. Directors' Remuneration

No Director received remuneration as a director during the year. The Bishop and Priests of the Diocese, in their capacity as such, are entitled to payments and benefits such as accommodation and living expenses from the Diocese. The taxable value of these are included in the figures reported below. Loans are also made available for the purchase of cars, repayable over an agreed period. These are all authorised by the Articles of Association. A Director who is a priest may be eligible for a grant from the Nottingham Diocesan Sick and Retired Priests Fund; this is included in the figures below if applicable. The Diocese has purchased Directors' and Officers' Liability Insurance for its directors the cost of which is not separately identified in the insurance charge made to the Diocese. The Diocese reimburses directors for expenses incurred in that capacity and the amount is estimated as being under £2,500 altogether.

| | <u>Payments</u> | <u>Car Loan</u> |
|---|------------------------|------------------------|
| | <u>2017</u> | <u>2017</u> |
| | <u>£000s</u> | <u>£000s</u> |
| Right Rev P.J. McKinney | 10 | - |
| Reverend Mgr Canon T. P. McGovern Prot Ap, VG | 13 | - |
| Reverend P. J. Guest BA, STL, PhL, VG | 7 | - |
| Reverend Canon E. Jarosz | 11 | 1 |
| Reverend T. M. Moore | 16 | - |
| Reverend M. Hardy BA, STL | 13 | 6 |

No other Director received payments or loans from the Diocese.

5. Staff and Clergy costs

| | <u>2017</u> | <u>2016</u> |
|--|----------------------|----------------------|
| | <u>£000s</u> | <u>£000s</u> |
| The following amounts have been charged in the accounts: | | |
| <u>Parishes</u> | | |
| Staff costs: | | |
| Salaries | 536 | 483 |
| Employers' National Insurance contributions | 10 | 7 |
| Pension Contributions | 3 | 2 |
| Clergy payments | 518 | 520 |
| | <u>£1,067</u> | <u>£1,012</u> |
| <u>Curia</u> | | |
| Staff costs: | | |
| Salaries | 402 | 372 |
| Employers' National Insurance contributions | 33 | 31 |
| Pension contributions and Pension payment | 31 | 27 |
| Staff Training | 8 | 2 |
| | <u>£474</u> | <u>£432</u> |
| Clergy costs: | | |
| Payments to individual Priests not in Parishes | 49 | 54 |
| Priests Pension Scheme | 8 | 7 |
| | <u>£57</u> | <u>£61</u> |

Compensation totalling £5 thousand has been paid to 3 members of staff on termination of their employments.

The average number of staff (excluding clergy) on a full time equivalent basis employed in the year was as follows:

| | | |
|----------|----|----|
| Parishes | 63 | 59 |
| Curia | 17 | 15 |

No employee received emoluments in excess of £60,000 per annum (2016: nil). The key management personnel are considered to be the Bishop and the Moderator of the Curia who received £17 thousand (2016: £15 thousand) in total as priests of the Diocese rather than as key management personnel.

The pension contributions are paid during the year and no amounts are outstanding at the end of the year.

Priests are "Office holders" and are not employees of the Diocese and are therefore not included in the above analysis. The analysis of the numbers of Priests, excluding the Bishop, according to the work which they do is included in the Directors' Report.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes & Accounting Policies for the year ended 31st March 2017 (continued)

6. Tangible Fixed Assets

Parishes

| | <u>Freehold</u> <u>Land &</u> <u>Buildings at</u> | | <u>Total 2017</u> |
|--|---|-----------------|-------------------|
| | <u>Cost</u> | <u>Contents</u> | |
| | <u>£000s</u> | <u>£000s</u> | <u>£000s</u> |
| Cost or deemed cost at 1st April 2016 | 36,475 | 1,539 | 38,014 |
| Additions | 193 | - | 193 |
| Disposals | - | - | - |
| Transfers | - | - | - |
| Total as at 31st March 2017 | 36,668 | 1,539 | 38,207 |
| Depreciation as at 1st April 2016 | 9,877 | 1,375 | 11,252 |
| Disposals | - | - | - |
| Charge for the year | 763 | 27 | 790 |
| Transfers | - | - | - |
| Total as at 31st March 2017 | 10,640 | 1,402 | 12,042 |
| Net Book Value at 31st March 2017 | £26,028 | £137 | £26,165 |
| Net Book Value at 31st March 2016 | £26,598 | £164 | £26,762 |

Curia

| | <u>Freehold</u> <u>Land &</u> <u>Buildings at</u> | <u>Long</u> <u>Leasehold</u> | <u>Other Fixed</u> <u>Assets</u> | <u>Total 2017</u> |
|---|---|---------------------------------|-------------------------------------|-------------------|
| | <u>Cost</u> | <u>£000s</u> | <u>£000s</u> | |
| | <u>£000s</u> | <u>£000s</u> | <u>£000s</u> | <u>£000s</u> |
| Cost or deemed cost at 1st April 2016 | 2,808 | 499 | 68 | 3,375 |
| Additions | 156 | 95 | - | 251 |
| Disposals | (93) | (153) | - | (246) |
| Total as at 31st March 2017 | 2,871 | 441 | 68 | 3,380 |
| Depreciation and amortisation at 1st April 2016 | 423 | 56 | 68 | 547 |
| Disposals | (21) | (3) | - | (24) |
| Charge for the year | 50 | 9 | - | 59 |
| Total as at 31st March 2017 | 452 | 62 | 68 | 582 |
| Net Book Value at 31st March 2017 | £2,419 | £379 | £- | £2,798 |
| Net Book Value at 31st March 2016 | £2,385 | £443 | £- | £2,828 |

Parishes and Curia properties

In the opinion of the Directors the market values of the properties are generally in excess of the values at which they are shown in the balance sheet.

A number of the churches and other buildings owned by the Diocese are listed. Some of the properties are held subject to covenants restricting use for a Church or school or requiring that the property or part of the sale proceeds be returned to the vendor. Some of the parishes hold historic artefacts which cannot be valued without undue cost or effort. Some of the properties are "Permanent Endowment" and held by the Diocese as trustee. No adjustment has been made to the values at which the Tangible Fixed Assets are stated in relation to any of these.

A share of the proceeds for one property, if sold within 40 years of its acquisition in 2014, will be returned to the religious order from which it was originally acquired without consideration.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES**Notes & Accounting Policies for the year ended 31st March 2017 (continued)****7. Investments**

| | <u>Total</u> <u>2017</u> <u>£000s</u> | <u>Total</u> <u>2016</u> <u>£000s</u> |
|--|--|--|
| <u>Parishes Total Investments</u> | | |
| <u>Listed Investments</u> | | |
| Carrying value at 1st April 2016 | 272 | - |
| Additions at cost | - | 250 |
| Transfers | - | 30 |
| Realised net gains/(losses) | 7 | - |
| Unrealised net gains/(losses) | 42 | (8) |
| Carrying value at 31st March 2017 | <u>321</u> | <u>272</u> |
| <u>Investment Properties</u> | | |
| Carrying value at 1st April 2016 and 31st March 2017 | <u>1,844</u> | <u>1,844</u> |
| | <u>£2,165</u> | <u>£2,116</u> |
| <u>Curia Total Investments</u> | | |
| <u>Listed and Unlisted Investments</u> | | |
| Carrying value at 1st April 2016 | 10,765 | 11,357 |
| Additions at cost | 3,254 | 880 |
| Amounts withdrawn | (8) | - |
| Net disposal proceeds | (1,299) | (673) |
| Transfers | - | (30) |
| Realised net gains/(losses) | 199 | (60) |
| Unrealised net gains/(losses) | 1,579 | (709) |
| Carrying value at 31st March 2017 | <u>14,490</u> | <u>10,765</u> |
| <u>Social Investment Properties</u> | | |
| Carrying value at 1st April 2016 | 1,090 | 852 |
| Reclassification from Fixed Assets | - | 238 |
| Carrying value at 31st March 2017 | <u>1,090</u> | <u>1,090</u> |
| | <u>£15,580</u> | <u>£11,855</u> |
| Curia Total Investments analysed by Fund: | | |
| General Unrestricted | 3,266 | 2,212 |
| Designated | 528 | 327 |
| | <u>3,794</u> | <u>2,539</u> |
| Restricted | 6,684 | 5,652 |
| Endowment | 123 | 121 |
| Separate Charity | 4,979 | 3,543 |
| | <u>11,786</u> | <u>9,316</u> |
| | <u>£15,580</u> | <u>£11,855</u> |
| <u>Curia and Parish Listed and Unlisted Investments analysed by type:</u> | | |
| Fixed Interest | 3,971 | 2,776 |
| Equities | 8,285 | 6,483 |
| Alternative investments | 1,770 | 1,314 |
| Cash | 785 | 464 |
| | <u>£14,811</u> | <u>£11,037</u> |

The listed investments are stated at mid market value, the unlisted at cost (see note 15) and the social investment properties at deemed cost.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes & Accounting Policies for the year ended 31st March 2017 (continued)

| | Total 2017 £000s | Total 2016 £000s |
|--|---------------------------------|---------------------------------|
| 8. Long Term Assets | | |
| Curia | | |
| Inter-Diocesan Fuel Management Ltd (see note 15) | 1,432 | 1,432 |
| Loans | 67 | 74 |
| Other long term assets | 1 | 1 |
| | £1,500 | £1,507 |

9. Debtors and prepayments due within 1 year

| | | |
|---------------------------------------|-------------|-------------|
| Parishes | | |
| Listed places of worship scheme grant | 25 | - |
| Gift Aid | 365 | 345 |
| Prepayments | 112 | 105 |
| | £502 | £450 |
| Curia | | |
| Loans | 48 | 35 |
| Interest receivable | 62 | 62 |
| Sundry debtors and prepayments | - | 6 |
| | £110 | £103 |

10. Cash at bank and in hand

Analysed by fund:

| | | |
|-----------------|----------------|----------------|
| Parishes | | |
| Restricted | 14,372 | 13,113 |
| | £14,372 | £13,113 |

| | | |
|---|-------------|---------------|
| Curia | | |
| Unrestricted (including Designated) | 37 | 836 |
| Restricted, Endowment, Separate Charity | 421 | 440 |
| | £458 | £1,276 |

Analysed by type:

| | | |
|--------------------------|----------------|----------------|
| Parishes | | |
| Money market deposits | 12,416 | 10,984 |
| Cash at bank and in hand | 1,956 | 2,129 |
| | £14,372 | £13,113 |

| | | |
|--------------------------|-------------|---------------|
| Curia | | |
| Money market deposits | - | 617 |
| Cash at bank and in hand | 458 | 659 |
| | £458 | £1,276 |

Each parish is required to hold money in excess of its immediate requirements in a separately designated account with the Curia. Out of this, loans are made to Parishes for approved building projects at a favourable interest rate which is currently 3% for existing projects and 6% for new ones. The balance is deposited generally with the money market. In view of the continued low interest rates, alternative short term fixed interest investments have been purchased on the recommendation of the Diocese's investment managers.

The interest earned is partly retained by the Curia and partly passed on to the Parishes which hold such amounts held with the Curia, pro rata both to those amounts and to the periods for which they are held.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes & Accounting Policies for the year ended 31st March 2017 (continued)

| | <u>Total</u> <u>2017</u> <u>£000s</u> | <u>Total</u> <u>2016</u> <u>£000s</u> |
|--|--|--|
|--|--|--|

11. Creditors due within 1 year

Parishes

| | | |
|------------------------|--------------------|--------------------|
| Creditors and accruals | 263 | 435 |
| | <u>£263</u> | <u>£435</u> |

Curia

| | | |
|---|--------------------|--------------------|
| Social security and other taxes | - | 12 |
| Creditors and accruals | 89 | 83 |
| Child Abuse Inquiry provision (see note 18) | 150 | 150 |
| | <u>£239</u> | <u>£245</u> |

12. Long Term Liabilities - Creditors due after 1 year

Curia

| | | |
|--|----------------------|----------------------|
| Inter-Diocesan Fuel Management Ltd (see note 15) | 1,390 | 1,390 |
| Other long term liabilities | 10 | 16 |
| Amounts deposited with Curia | 3 | 2 |
| | <u>£1,403</u> | <u>£1,408</u> |

13. Movements in Opening Funds

Parishes

| | | |
|---------------------------------|-----------------------|-----------------------|
| Balance at 1st April 2016 | 42,112 | 41,040 |
| Surplus/ (Deficit) for the year | 846 | 1,072 |
| | <u>£42,958</u> | <u>£42,112</u> |

| | <u>Unrestricted</u> <u>including</u> <u>Designated</u> <u>£000s</u> | <u>Restricted</u> <u>Endowment</u> <u>Sep Charity</u> <u>£000s</u> | <u>2017</u> <u>£000s</u> | <u>2016</u> <u>£000s</u> |
|---------------------------------|--|---|---|---|
| <u>Curia</u> | | | | |
| Balance at 1st April 2016 | 6,054 | 9,756 | 15,810 | 16,145 |
| Surplus/ (Deficit) for the year | 527 | 2,451 | 2,978 | (335) |
| | <u>£6,581</u> | <u>£12,207</u> | <u>£18,788</u> | <u>£15,810</u> |

Analysis by Fund of Balance at 1st April 2016

| | | |
|----------------------------|----------------------|----------------------|
| Separate charity | - | 3,703 |
| Endowment Funds | - | 143 |
| Restricted Funds | - | 5,910 |
| Designated Funds | 507 | - |
| General Unrestricted Funds | 5,547 | - |
| | <u>£6,054</u> | <u>£9,756</u> |

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES

Notes & Accounting Policies for the year ended 31st March 2017 (continued)

14. Summary of Designated, Restricted and Permanent Endowment Fund Movements.

Curia

| | 1st April 2016 £000s | Income & Endowments £000s | Expended £000s | Transfers (Investment) Movements £000s | 31st March 2017 £000s |
|-------------------------------|----------------------------|---------------------------------|-------------------|--|-----------------------------|
| Designated Funds | | | | | |
| Legacy Fund | 400 | 17 | (10) | 85 | 572 |
| Pilgrimage Administration | 1 | 8 | (9) | - | - |
| Holy Ghost Housekeepers | 18 | 1 | (4) | - | 16 |
| Extraordinary Ministers | - | 21 | (19) | 14 | 16 |
| Ret'd Priests Appeal Admin | 31 | - | (35) | 50 | 46 |
| Justice & Peace | 5 | 3 | (2) | - | 6 |
| Derby Deanery | 57 | - | (13) | - | 44 |
| Quinquennial Inspections | (7) | 1 | (42) | 261 | 213 |
| Total | 505 | 51 | (134) | 410 | 913 |
| Restricted Funds | | | | | |
| Clergy Formation Fund | 4,675 | 202 | (158) | 6 | 5,556 |
| Poor & Needy Parishes | 780 | 76 | (2) | (22) | 960 |
| Mission Fund | 85 | 4 | (2) | - | 101 |
| Legion of Mary Senatus | 132 | - | - | (132) | - |
| Lenten Masses | 24 | 2 | (6) | - | 20 |
| James Heneage | 7 | - | - | - | 7 |
| Lourdes Pilgrimage Fund | 207 | 7 | (4) | - | 246 |
| Total | 5,910 | 291 | (172) | (148) | 6,890 |
| Permanent Endowment | | | | | |
| Foundation Masses | 144 | 7 | (4) | (1) | 149 |
| Separate Charity | | | | | |
| Sick and Retired Priests Fund | 3,702 | 828 | (245) | 247 | 5,168 |
| Total | £10,261 | £1,177 | £(555) | £508 | £1,729 |
| | | | | | £13,120 |

The funds on this page are for the following purposes:

Designated Funds:

| | |
|------------------------------|--|
| Legacy Fund | Legacies received for the Diocese to be used at the discretion of the Directors. |
| Pilgrimage Administration | Administration of the Diocesan Pilgrimage to Lourdes. |
| Holy Ghost Housekeepers Fund | Support of housekeepers formerly employed by the Holy Ghost Fathers. |
| Extraordinary Ministers | The Commission for the Extraordinary Ministers for Holy Communion. |
| Ret'd Priests Appeal Admin. | Running costs of the Retired Priests Appeal. |
| Justice & Peace | Activities of the Justice & Peace Commission (other than the field worker's salary). |
| Derby Deanery | Projects supported by the Derby Deanery. |
| Quinquennial Inspections | Funded by special Diocesan Quota in 2016/7 to spread the cost fairly over parishes. |

Restricted Funds:

| | |
|------------------------------|---|
| Clergy Formation Fund | Education of priests and deacons, their on-going formation and fostering vocations. |
| Poor and Needy Parishes Fund | Support of poor and needy parishes. |
| Mission Fund | Support and assistance of mission activities. |
| Legion of Mary Senatus | Advancement of Roman Catholic religion transferred in 2016/7 to Legacy Fund. |
| James Heneage Fund | Maintenance of the Chapel at Hainton Hall. |
| Lenten Station Masses Fund | Bishop's charitable purposes (within the Trust Deed). |
| Lourdes Pilgrimage Fund | Assistance to those wishing to make a pilgrimage to Lourdes. |

Permanent Endowment Funds:

| | |
|-------------------|---|
| Foundation Masses | Payment of Mass offerings out of income for the intentions of donors. |
|-------------------|---|

Separate Charity:

| | |
|-------------------------------|---|
| Sick and Retired Priests Fund | For the support of sick and retired priests of the Diocese. |
|-------------------------------|---|

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes & Accounting Policies for the year ended 31st March 2017 (continued)

15. Unlisted Investments and membership of other companies

a) The Diocese owns 4,000 out of 125,200 (2016: 4,000 out of 121,200) shares in the Catholic National Mutual, a mutual insurance company incorporated in Guernsey. The net assets of the company at 30th September 2016, the date of the last available accounts, were £32m (2015: £31m) and the profit for the year ended on that date, after transfer to solvency reserves, was £1.6m (2015: £0.3m). The accounts for the year to 30th September 2017 are not expected to show amounts which are materially different.

b) The Diocese owns 1 share out of 9 issued and fully paid ordinary shares of Inter-Diocesan Fuel Management Ltd (IDFM). The net assets of the company at 31st March 2016, the date of the last available accounts, were £29 thousand (2015: £26 thousand). The result for the year ended on that date was £3 thousand (2015: £break even). IDFM was set up in conjunction with other Catholic dioceses in order to purchase electricity and gas for Diocesan properties more favourably. At 31st March 2017, Creditors due after one year includes £1,390 thousand (2016: £1,390 thousand) due to IDFM. In addition to this long term assets include the amount of £1,432 thousand (2016: £1,432 thousand). This represents the payments made on account to IDFM by the Curia on behalf of the parishes and which are recoverable from IDFM. The amount due to IDFM at 31st March 2016 for fuel consumed but not yet charged is estimated at £105 thousand

The Company Secretary is a director of IDFM.

c) The Diocese is the sole member of Nottingham Roman Catholic Diocesan Education Service (NRCDES) a charitable company limited by guarantee, set up to take over its Diocesan Education Service. Its directors are partly appointed by the Bishop and partly by the schools of the Diocese. Its results are accordingly not consolidated with those of the Diocese. As stated in note 3, a number of Directors of the Diocese are also directors of NRCDES.

16. Contingent Assets

a) The estimated value of legacies, where known, to which the Diocese will be entitled but which have not been included as Incoming resources at 31st March 2017 is £99 thousand (2016: £8 thousand).

b) A conditional contract has been entered into for the sale of a chapel of ease, currently valued at £17 thousand, providing planning permission is achieved by the prospective purchaser, for £1.1 million.

c) Since the year end unconditional contracts have been entered into for the sale of three properties, currently valued at £381 thousand, for £899 thousand. A favourable sale is also anticipated for a fourth property valued at £17 thousand.

17. Capital Commitments

Capital commitments at 31st March 2017 amounted to £469 thousand (2016: £1,053 thousand) arising out of building and major maintenance work in parishes and otherwise.

18. Contingent Liabilities

a) The Diocese has provided indemnities to Lloyds Bank plc in order for it to accept cheques made out to a payee with a different name from that of the account in question and in relation to Telepay through which payments are made to members of staff.

b) The Diocese is aware that the Catholic Church will be a "core participant" at the Independent Inquiry into Child Sexual Abuse and that the legal costs in relation thereto will be borne by the dioceses of England and Wales as well as by religious orders. The Diocese no longer believes that it may be at risk from uninsured claims against it through insurance records going back to 1963 being unavailable. Accordingly the provision made in previous years of £150 thousand for this purpose, which is included in creditors, is carried forward as being the estimated amount at the present time of the Diocese's expected share of these legal costs. This amount may prove to be insufficient.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN TRUSTEES
Notes & Accounting Policies for the year ended 31st March 2017 (continued)

19. Assets held as trustee

The Diocese holds the Poor Clares Convent at Bulwell, Nottingham as trustee although its beneficial ownership is uncertain between the religious order and the estate of the 8th Duke of Newcastle. The value of this property is not included in these accounts.

The Diocese is the trustee of Nottingham Roman Catholic Diocesan Trustees, the former unincorporated trust, which remains in being to receive legacies which are passed on to the Diocese. This trust owns no assets beneficially.

The Diocese owns land at Crich with the Youth Service Trustees, occupied by them, costing £437 thousand in December 2011, in the proportion 75%, the Diocese, and 25%, Youth Service Trustees, for which no rent is charged. The cost of this land is included in Curia Social Investment Properties in note 7.

The Diocese is the trustee of the Sick and Retired Priests Fund, a separately registered charity number 510119. Its results have been consolidated with those of the Diocese.

The Diocese owns the following properties, occupied by parishes, as trustee. The values of these properties are included with other parish owned property in note 6.

| Permanent Endowment: | Date of governing document |
|---|-----------------------------------|
| Alvaston Parish Hall | 10th August 1906 |
| Earl Shilton Presbytery | 7th April 1920 |
| Ilkeston Presbytery | 25th June 1906 |
| St Philip Neri Parish Hall, Mansfield | 12th March 1937 |
| Holy Souls Presbytery and Parish Hall, Scunthorpe | 7th January 1920 |
| St Hugh's Presbytery, Broadgate Lincoln | Not Known |
| Eastwood Presbytery | 6th August 1907 |
| Eastwood Parish Hall | 6th August 1907 |
| Good Shepherd Presbytery, Arnold | 9th July 1923 |
| Good Shepherd Parish Hall | 9th July 1923 |
| St Philip Neri Presbytery, Mansfield | 28th April 1908 |
| St Mary's Presbytery, Glossop | 22nd January 1964 |
| Hadfield Presbytery | 23rd December 1925 |
| Hadfield Parish Hall | 23rd December 1925 |
| Marple Bridge Presbytery | 23rd December 1925 |
| Marple Bridge Parish Hall | 15th September 1921 |
| Market Harborough Presbytery | 4th March 1876 |
| Market Harborough Parish Hall | 4th March 1876 |
| Ashby de la Zouch Presbytery | 19th May 1917 |
| Whitwick Presbytery | 22nd September 1902 |
| Osgodby Mass House | 3rd September 1985 |
| Spalding Church | 20th July 1876 & 24th April 2002 |
| St Mary's Presbytery, Loughborough | 3rd November 1840 |

20. Pension schemes

The Diocese has two defined contribution pension schemes held in separately administered funds. One is for priests and one is an autoenrolment scheme for staff.

22. Related Party Transactions

Insofar as the Directors are aware, there are no matters required to be reported other than as already shown in these accounts.