

Registered Charity No:
278742 (England and Wales)

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2015

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

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THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY NUMBER	278742 (England and Wales)
BOARD OF TRUSTEES:	<p>The trustees who have served during the year and since the year end are as follows:</p> <p>Bishop Alan Hopes Rev David Bagstaff Mgr Anthony Rogers Rev Peter Leeming Mgr Philip Shryane Mrs Moira Goldstaub Robert Meakin Esq (Resigned 11 June 2016) Mrs Marie Roberts Rev Nicholas Greef Peter Ledger Esq</p> <p>The above are also the board of directors for The East Anglia Roman Catholic Diocese Trustee.</p>
FINANCIAL SECRETARY:	Lt Col John Pitt
ADVISORS:	<p>Mr Nick Saffell (Property) Mrs Julie O'Connor (School Buildings)</p>
ADMINISTRATIVE CENTRE:	<p>The White House 21 Ugate Poringland Norwich Norfolk NR14 7SH</p>
BANKERS:	<p>National Westminster Bank Plc 45 London Street Norwich NR2 1HX</p>
SOLICITORS:	<p>Mills and Reeve 1 St. James Court Whitefriars Norwich NR3 1RU</p>
AUDITORS:	<p>Price Bailey Tennyson House, Cambridge Business Park, Cambridge CB4 0WZ</p>
INVESTMENT MANAGEMENT:	<p>Barclays Wealth Barclays Bank Plc 1 Churchill Place London EC14 5HP</p> <p>Rathbones 1 Curzon Street London W1J 5FB</p>

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

REPORT OF THE TRUSTEES For the year ended 31 December 2015

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution And Composition

The Roman Catholic Diocese of East Anglia was established under a Deed of Revocation and Appointment dated 2 October 1979. It is a registered charity (Reg. No. 278742) and is made up of 50 parishes in the counties of Cambridgeshire, Peterborough, Suffolk and Norfolk. It also encompasses 24 voluntary aided schools and 2 inter-denominational church schools.

The East Anglia Roman Catholic Diocese Trustee was incorporated on 1 February 1979 and was appointed as the Custodian Trustee of the Diocese on 2 October 1979 under the terms of a Deed of Revocation and Appointment.

Trustees

These are set out on page 3. The power to appoint trustees is vested in the Bishop of the Diocese. Trustees are recruited following recommendations received from existing trustees and/or other members of the diocese. Towards the end of 2013 enhanced procedures were established with a view to ensuring that new trustees were adequately informed prior to induction and that all trustees were provided with opportunities for further training and development.

Risk Review

The trustees have assessed the major risks to which the Diocese is exposed and are satisfied that systems are in place to mitigate our exposure to the major risks.

Organisation And Control

The Diocese is governed by its Board of Trustees, which consists of 8 trustee members comprising the Bishop, 4 Priests and 5 lay trustees and their advisors. These members meet at least quarterly, under the chairmanship of the Bishop and sitting as the Diocesan Finance Board. The Board of Trustees is responsible for formulating the strategies and policies for the Diocese as a whole, including the approval of significant parish expenditure and building works, parish loans, the appointment of Diocesan staff and advisors and the exercise of financial management of its own income and expenditures.

The Finance Board is assisted in its decision making process by a sub-committee called the Diocesan Buildings Sub-Committee. This Sub-Committee, which is chaired by a Trustee and includes members of the Diocesan Finance Board and advisors, deals mainly with schools, curial and parochial property matters. The Sub-Committee has certain delegated powers under its terms of reference, meets quarterly and reports directly to the Finance Board. Its main function is to agree, monitor and review the details of parish building and repair projects, through its agreed expenditure approval procedures.

Expenditure on churches involving reordering requires consultation with the Arts and Architecture Committee of the Liturgy Commission, whilst expenditure on churches which are listed requires consultation with the Diocese's Historic Churches Committee.

On education and schools' matters the Finance Board is assisted by a Commission, the Diocesan Schools Service Commission. This Commission is chaired by a member of the Clergy, includes the Bishop and the Diocesan Director of Schools Service and reports directly to the Finance Board.

The Schools Service Commission is assisted by a group of members called the Schools' Projects Review Group. This body meets as and when required and initiates, monitors and reviews the financial control procedures implemented by the Diocese in respect of current and planned school building projects.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

REPORT OF THE TRUSTEES (continued) For the year ended 31 December 2015

Organisation And Control (continued)

Day to day control of the charity is exercised by the Bishop, supported by the Diocesan Financial Secretary who is a member of staff with responsibility for implementing and managing the strategies and policies agreed by the Diocesan Finance Board. In addition, the schools officer is also responsible for day to day control of the schools programme.

At parish level, the parish priest, assisted by his finance committee, is responsible for all aspects of administration.

OBJECTIVES AND ACTIVITIES

The objectives of the Diocese are set out in its Deed of Revocation and Appointment as the advancement of the Roman Catholic Religion in the Diocese and for the service and support whether in the Diocese or outside the Diocese of charitable works and objects promoted by the Roman Catholic Church.

These objectives are accomplished through the network of parishes and schools throughout the diocese, seeking to involve the community as a whole and furthering ecumenical relationships.

Through its parishes, funds are raised by way of voluntary collections and donations to assist the work of organisations such as CAFOD, the Apostleship of the Sea and the Catholic Association for Racial Justice.

Overseas, twinning arrangements are in place with countries such as Cambodia and those within the Holy Land, providing funding to assist in the development of projects for the needy and underprivileged.

These overseas relationships continued to develop during 2015 as more individual parishes have established twinning relationships with particular overseas localities. These relationships have been particularly strengthened through reciprocal visits.

The Diocese could not meet its objectives without the significant contribution provided by its volunteers. "Volunteer Agreements" have been in place since 2006, particularly to highlight and clarify the roles undertaken by so many willing parishioners. Such roles include parish treasurers, committee members, flower arrangers and lay ministers. The numbers of volunteers far outweigh paid employees and are the substance of the Catholic Church.

The objectives and aims for the year may be summarised as:

- Maintenance of parish life and communities
- Advancement of the Roman Catholic Religion
- Review of effectiveness of central services
- Assisting school governing bodies in the financing and control of major building projects and grant recovery.

Strategies implemented to achieve these objectives include:

- The continued maintenance and improvement of places of worship and other parish facilities
- Continued recruitment, education and training of priests
- Encouraging local communities to make use of parish facilities
- Participation in community including support of religious education, leadership and management in our schools
- Supporting the community through the establishment of Commissions listed under Activities below
- Administering school building programmes and providing advice to school governors.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

REPORT OF THE TRUSTEES (continued) For the year ended 31 December 2015

Activities

Funding of Diocesan Activities

The Diocese of East Anglia is not wealthy. It has limited reserves or investments of its own, receives relatively small amounts through legacies and donations and has no means of raising income other than from its parishes. This it does by levying charges or quotas based as a percentage of parish offertory collections. The income which it receives is used to pay for the organisation and administration of all Diocesan activities, for the repairs and adaptations to its schools, for the training of future Diocesan priests and for all those services which are given to parishes without charge. Comments on some of these Diocesan activities, which are highlighted in the SOFA under "General Funds", "Designated Funds", or "Parochial Funds", are included below.

The activities of the Diocese are largely undertaken through its parishes. Of the overall diocesan finances, parishes account for over 83% of income and approximately 71% of expenditure with some 70% of the Diocesan charity's net assets being held at parochial level. The work of the parishes involves amongst other things the pastoral care of the Roman Catholic and general community of the parish and maintenance and upkeep of places of worship.

A fund-raising campaign has been undertaken since February 2015 managed by the professional fund-raising company, CCS. This has four primary aims to provide funding for the following:

- Training of future priests
- Support of retired clergy
- Special Parish Projects
- Social Outreach

During the year ended 31 December 2015 the project raised £123,441 from its trial phase in six parishes with total expenditure, including fundraiser's costs for this period, being £205,563. Whilst a deficit is therefore reported in these accounts of £86,122, overall the campaign hopes to raise £7 million over the next 5 years. Total fundraising costs will be 12% of the amount raised.

The following bodies assist the trustees in the furtherance of the charity objectives:

The Liturgical Commission

This body advises the Diocese and individual parishes on matters relating to the celebration of Sacred Rites in churches. It also advises on matters of church architecture and organises liturgical courses throughout the Diocese.

The Commission for Evangelisation

This body is responsible for developing the outward aspect of diocesan life, as well as adult religious education, Catholic Certificate of Religious Studies, parish sacramental programmes including Rite of Christian Initiation of Adults, Baptism, First Reconciliation and First Communion, Confirmation & Marriage, training and ongoing formation of catechists and co-ordination of key catechists.

The Ecumenical Commission

This Commission is appointed by the Bishop to advise him on all ecumenical matters relating to the Diocese. Members of the Commission are appointed on a Deanery basis with one lay and one clerical member from each of the seven Deaneries. Members of the Commission represent the Diocese on a number of inter-church bodies at local, county and national level. The Commission has an important educational role and organises days of reflection and of study on a Diocesan and Deanery basis.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

REPORT OF THE TRUSTEES (continued) For the year ended 31 December 2015

Activities (continued)

Justice and Peace Commission

This Commission was established to advise the Bishop and the Diocese on matters of justice and peace. It organises study days and vigils of prayer to encourage all to seek justice and peace and to exchange relevant information.

The Diocesan Youth Service

The Director of Diocesan Youth Service works with the Bishop to coordinate and organise a variety of diocesan youth events including the World Youth Day pilgrimage, the annual pilgrimage to Taizé and diocesan youth days, festivals, celebrations and camps. This work is supported by a Diocesan Youth Commission and a Diocesan Youth Council of 16 – 21 year olds. The work of the Director of Diocesan Youth Service has been augmented by a Youth Mission entitled "Ignite" with the aim of enhancing the development of youth activity throughout the Diocese. This latter group is intended to be developed with the mission of taking the Catholic message out to the youth of the Diocese using events both within the Diocese as a whole, within individual parishes and in the diocesan schools.

New Evangelisation Commission

This Commission was formed in 2015 with the aim of regenerating the Catholic Faith within the Diocese. In addition to encouraging and facilitating the return of Catholics who have lost contact with the Church to regular communion, the Commission is also engaged in promoting the Church amongst non-Catholics.

ACHIEVEMENTS AND PERFORMANCE

Review of Year 2015

The rolling programme of improvement and maintenance works to Diocesan school buildings continued and at the end of 2015 Diocesan funds in excess of £100,000 were committed towards work in progress plus approved works still to commence. Further projects are also being planned into 2016 and 2017 but there is an awareness that funds available are likely to reduce as the effects of the economic downturn inhibit public spending and there is a potential for offertory collections also to diminish reducing diocesan income. In parallel with the building programme, the Diocese has also been active in the formation of multi-academy trusts, designed to conform to Government policy. The first of these is the St John The Baptist Catholic Multi-academy Trust which became operational from 1st April 2016. Further similar trusts are planned throughout the Diocese.

Several parishes have completed major refurbishments of churches and other parish buildings. The rolling programme of Quinquennial Inspections of all diocesan properties has continued and the gap created by the absence of a contracted surveyor for 2 years has largely been closed and the programme is back on track.

The Cathedral Narthex, which is managed as part of the Cathedral Complex by the Cathedral of St John The Baptist Trust has continued to run at a loss. The CSJBT is a separate charity but its losses are underwritten by the Diocese. A business review was commissioned by the CSJBT in 2014 to identify and remedy the prime causes of losses already incurred. The implementation of the recommendations of the business review fell short of expectations largely due to internal management failures. This resulted in a change of General Manager in early 2016 and the benefits of this are beginning to show in a sharp reduction in the losses.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

REPORT OF THE TRUSTEES (continued) For the year ended 31 December 2015

PLANS FOR THE FUTURE

Future Developments

Buildings

There is a continuing need to review the demographic location of the Catholic population in the Diocese and the availability of priests to ensure that churches are best situated to serve their needs. Annual reviews of mass attendance in parishes is an important tool in measuring which churches and buildings may need expansion or new buildings and those where use of a church or building is not justified. An overriding criterion is the avoidance of expenditure which cannot be justified. The diocesan estate is therefore under constant review both for short term and longer term plans to maximize building use. A further consideration is the numbers of priests available to provide pastoral care in the existing parishes. A reduction in the number of priests may necessitate the merging of parishes with a potential effect on building requirements but an increase in the number of vocations has assuaged this assessment.

Priests

Meeting the needs of the increasing numbers of priests reaching retirement age or retiring on the grounds of ill health is a pressing concern. There is a clear requirement for a diocesan retirement policy which takes account of the diverse needs of retiring priests in terms of both accommodation and income. In the longer term, provision for residential care of individual priests who require it must also be planned. The retirement policy will have to take account of individual priests' personal financial resources and ensure that all and any State benefits to which individuals may be entitled are factored in on a case by case basis. The success of this will rely heavily on individual priests making personal arrangements in their financial affairs to ensure that in the event of a need for residential care, the transition is made smoothly. In addition to diocesan resources, the East Anglia Diocese Dependent Priests' Fund is an independent charity designed to provide additional financial assistance where required which is beyond the scope of either the State Benefits or the diocesan policy.

Diocesan Fund Raising Campaign

The Bishop commissioned CCS as professional fund raisers to mount a fundraising campaign in 2015 across the Diocese. This will be aimed at raising money for diocesan purposes (eg. Seminarian Training, diocesan evangelisation initiatives and support of retired Clergy, etc) as well as generating funds for participating parishes.

CONNECTED CHARITIES

The Diocese is connected to two independent charities whose objectives are complementary to the diocesan objectives. These are the Cathedral of St John The Baptist Trust (Reg No 1152820) and the East Anglia Diocese Dependent Priests' Fund (Reg No 1102707).

PUBLIC BENEFIT

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

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

REPORT OF THE TRUSTEES (continued) For the year ended 31 December 2015

PUBLIC BENEFIT (continued)

The Catholic Church in East Anglia not only provides for the religious needs of the Catholic population but plays a full role in participating with other churches, faiths and public organisations in promoting an ethos and attitudes among the general population which are designed to encourage and develop mutual cooperation, social cohesion and dialogue for the benefit of the community as a whole and in particular the poor and most vulnerable. Within the Christian community, the Diocese and parishes are active in inter-faith activities working to increase the common interest.

The Diocese makes a significant contribution to education in East Anglia by its financial contribution, fund-raising and voluntary contributions as governors and in other roles. This programme includes two inter-denominational schools.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The key management personnel consist of the trustees, the Finance Officer and the Schools Officer. The charity's key management personnel have by public advertising at a salary fixed by market forces at the time of recruitment. Annual increases have been granted on a discretionary basis, using data from the National Audit Office based on salary increases in the private sector. Only one major change has been made. This was an increase to the Financial Secretary's salary based on a review of his increased responsibilities arising from the growth of the overall span of his duties. This was implemented in April 2015 backdated to April 2014.

PRINCIPAL RISKS

A Financial Risk Assessment is presented to the Trustees each year for approval. Since most of the diocesan activity involves financial criteria, this has been regarded as sufficient in the past.

FINANCIAL REVIEW

The total income of the Diocese increased from £5.59m to £6.33m during the year. This was due mainly to an increase in donations and legacies which increased from £4.75m to £5.36m.

Total expenditure for the Diocese remained consistent during the year moving from £6.08m in 2014 to £6.13m in 2015. Costs of raising funds have increased by 329% going from £0.075m in 2014 to £0.3m in 2015 due mainly to additional costs incurred relating to the Alive In Faith fundraising campaign. An analysis of this expenditure is given in note 6 of the Financial Statements.

General Diocesan Funds

The bulk of the expenditure of £1.04m in 2015 classified under this heading relates to the activities of the various Diocesan commissions, the work of the Diocesan Marriage Tribunal, the upkeep of the Bishop's residence and Central Administrative Offices and the funding of the chaplaincy costs at the University of East Anglia.

The main sources of funding for these expenditures are from investment and bank interest, quota charges to parishes based upon a percentage (8%) of offertory collections and administration charges to parishes and funds for handling investments and recovering tax on gift aid and covenants. The activities of the Commissions and the Diocesan Marriage Tribunal are briefly outlined below.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

REPORT OF THE TRUSTEES (continued) For the year ended 31 December 2015

Designated Funds – General Comments

The main funds included under this heading are the Schools' Consortium Funds. The balances on these funds at the end of December 2015 are shown in Note 14 to the financial statements. The Schools' Consortium Funds obtain most of their income from levies on parishes. The majority of the expenditure on the designated funds relates to the schools' activities. Comments on the activities of the Schools' Consortium Funds are included below.

Designated Funds - Schools

Prior to 1993 schools' funding was organised within groups of parishes formed into parish consortia centred around Norwich, Bury St Edmunds, Ipswich, Cambridge and Peterborough. By 1993 parish school funds were overdrawn and the Diocese agreed to centralise control of expenditure and introduce a schools' levy on parishes which would be sufficient to eliminate the existing schools' debt and provide funds for future commitments. The new schools' levy was introduced gradually over a two year period and now stands at 20% of offertory collections (collected in two half yearly instalments). The income is channelled into a central fund (Schools' Consortium Fund) to cover the capital and repair costs of 26 schools as well as a host of other expenditure commitments such as schools' insurance premiums, schools commission expenses etc. This system, allied to a system of Cash Limit controls, ensures that sufficient funds are generated to meet the future needs of schools, and to spread costs evenly throughout the Diocese.

Surplus funds are transferred to a Schools Reserve Fund to meet contingencies and any future adverse changes in funding legislation by central government.

At the beginning of 2015, there was £2.61m held in the Schools' Consortium Fund. During 2015 the net movement in the fund amounted to approximately £0.47m, leaving a balance on the fund of £3.08m.

Restricted Funds

The main funds represented under this heading and their respective fund balances are outlined in Note 15 to the accounts. This note shows that at the end of December 2015, the total of the Diocese's restricted funds amounted to £3.28m, with the Clergy Pension Fund showing the largest balance of £1.71m.

Parochial Funds

As can be seen from the SOFA, the bulk of the Diocese's activities are undertaken through its parishes whose work principally takes the form of the provision of religious services and the maintenance and upkeep of presbyteries, churches and parish halls.

The financial statements show total parochial income of £5.16m, with the bulk of moneys, amounting to £4.45m, from "donations, legacies and grants".

On the expenditure side, Note 6 to the accounts provides an analysis of charitable expenditure. This shows total costs of £4.14m, with £1.06m being spent on the upkeep of buildings.

Investment Performance

The performance target required by the trustees is that the portfolio should perform in line with the relevant indexes. During the year the overall value of the charity's quoted portfolio increased by 18.74% going from £3.85m to £4.57m, due mainly to £1.5m being transferred from cash at bank into the Rathbones portfolio.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

REPORT OF THE TRUSTEES (continued) For the year ended 31 December 2015

Investment Performance (continued)

An income return of 3.14% on the opening value of the portfolio is considered satisfactory by the Trustees when compared to the performance of other relevant indices. In view of the low interest rates currently achievable on cash deposits, the portfolio is being reviewed to achieve better returns on investments than is currently the case.

Investment Powers and Policy

The trustees are empowered to invest any monies authorised by law for the investment of trust monies from time to time with the consent of the Bishop. This means that the provisions of the Trustees' Act 2000 apply. In 1999 an Order was made under Section 26 of the Charities Act 1993 which empowered the Trustees to appoint an investment manager and to appoint a corporate body as the Trustees' Nominee to hold the investments of the charity. By using a Nominee, transfers of stock can be dealt with more rapidly with the advent of reduced settlement periods. The Diocese's Investment Managers, Barclays Wealth were appointed to undertake both of these roles along with Rathbones also being appointed as investment advisers during the year.

The Trustees intend that the real value of the investments be maintained and enhanced over the long term. The trustees have selected a balanced portfolio of medium risk.

Reserves Policy

Notes 14 to 16 of the financial statements set out details of the various funds of the Diocese and an analysis of the assets attributable to them. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

At 31 December 2015 the Diocese's reserves stood at £29.06m. Of this £3.28m is restricted to particular uses and £3.11m has been designated by the Trustees for certain specific purposes.

Of the remaining reserves parochial funds amount to £20.39m of which £13.84m is represented by fixed assets in the form of churches and other property which are required for the purposes of the Diocese and could not be realised without undermining its work. This leaves free parochial reserves of £6.55m which represents between 1 - 2 year's total parochial expenditure and levy charges. This level of reserves is considered necessary by the Trustees to enable the parishes to conduct their work in an orderly and efficient manner as well as providing income through investments to supplement the amounts received by donations.

General reserves amount to £2.28m of which £0.72m is represented by fixed assets leaving free reserves of £1.56m. This is considered necessary in order for the Diocese to continue supporting and advising the parishes. The Trustees aim to maintain the Diocese's overall free reserves at least at the present level to continue to provide the support necessary for the Diocese to fulfill its objects.

TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual 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:

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

REPORT OF THE TRUSTEES (continued) For the year ended 31 December 2015

TRUSTEES RESPONSIBILITIES (continued)

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 that the charity will continue in operation.

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. 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 Board of Trustees on 22nd September 2016

A handwritten signature in black ink, appearing to read "Alan Hopes", with a small cross symbol to its left.

Bishop Alan Hopes
Trustee

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

We have audited the financial statements of The Roman Catholic Diocese of East Anglia for the year ended 31 December 2015 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. 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 set out on page 11-12, the trustees are responsible for the preparation of financial statements which give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements 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 THE 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 2015, 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.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA (continued)

EMPHASIS OF MATTER – TRUE AND FAIR OVERRIDE

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the basis of preparation. The charity has prepared the accounts (financial statements) in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant Charities (Accounts and Reports) Regulations 2008 but has since been withdrawn.

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.

Price Bailey LLP

PRICE BAILEY LLP

Chartered Accountants
Statutory Auditors

Tennyson House,
Cambridge Business Park,
Cambridge,
CB4 0WZ

Date: 31 Oct 2016

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

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

STATEMENT OF FINANCIAL ACTIVITIES For the year ended 31 December 2015

	Notes	Unrestricted Funds General £	Designated £	Restricted funds £	Unrestricted Parochial funds £	2015 Total £	2014 Total £
Income:							
Donations, legacies and grants	2	163,945	-	746,271	4,450,575	5,360,791	4,752,374
Charitable activities	3	-	-	-	165,359	165,359	162,904
Income from other trading activities	4	8,788	-	3,126	376,314	388,228	339,110
Investments	5	93,125	12,180	24,133	163,289	292,727	331,252
Other: Surplus on sale of assets		-	119,817	-	3,035	122,852	-
Total Income		265,858	131,997	773,530	5,158,572	6,329,957	5,585,640
Expenditure:							
Raising funds		10,579	4,850	264,662	44,148	324,239	75,496
Charitable activities:							
Provision of worship		320,490	-	177,625	1,421,079	1,919,194	2,185,948
Clergy and parish support		243,062	-	258,885	2,595,529	3,097,476	2,939,315
Pastoral care and community support		234,951	-	74,241	75,431	384,623	347,312
Schools Programme		232,013	173,839	-	-	405,852	530,494
Total expenditure	6	1,041,095	178,689	775,413	4,136,187	6,131,384	6,078,685
Net income / (expenditure) for the year before investment gains / losses		(775,237)	(46,692)	(1,883)	1,022,385	198,573	(492,925)
Net (losses) / gains on investments		(33,904)	(11,347)	(22,293)	(17,094)	(84,638)	155,723
Net income / (expenditure) for the year		(809,141)	(58,039)	(24,176)	1,005,291	113,935	(337,202)
Transfers between funds	17	185,959	530,569	262,172	(978,700)	-	-
Net movement in funds		(623,182)	472,530	237,996	26,591	113,935	(337,202)
Reconciliation of funds:							
Total funds brought forward		2,905,241	2,639,591	3,039,284	20,364,835	28,948,951	29,286,153
Total funds carried forward		2,282,059	3,112,121	3,277,280	20,391,426	29,062,886	28,948,951

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 18 to 35 form part of these accounts.

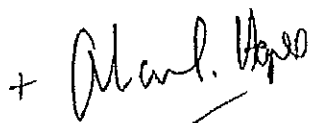
THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

BALANCE SHEET AS AT 31 DECEMBER 2015

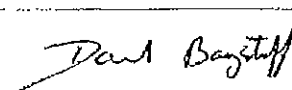
	Notes	2015 £	2014 £
Fixed assets			
Tangible fixed assets	10	14,561,763	13,687,357
Investments	11	6,917,132	5,532,034
Total fixed assets		21,478,895	19,119,391
Current assets	12		
Debtors		1,566,618	1,824,032
Cash at bank and in hand		7,404,179	10,325,064
Total current assets		8,970,797	12,149,096
Liabilities			
Creditors: amounts falling due within one year	13	(1,246,310)	(2,140,227)
Net current assets		7,724,487	10,008,869
Total assets less current liabilities		29,203,382	29,128,260
Creditors: amounts falling due after more than one year	13	(140,496)	(179,309)
Total net assets		29,062,886	28,948,951
The Funds of the Trust:			
Unrestricted:			
General		2,282,059	2,905,241
Designated	14	3,112,121	2,639,591
		5,394,180	5,544,832
Restricted:			
Diocese Permanent Endowment	15	126,335	130,514
Diocese restricted	15	3,150,945	2,908,770
		3,277,280	3,039,284
Parochial funds		20,391,426	20,364,835
Total funds		29,062,886	28,948,951

The attached notes on pages 18 to 35 form part of these financial statements.

The financial statements were approved by the Board of Trustees on and signed on their behalf by:

+ 

Bishop Alan Hopes (Trustee)



Rev David Bagstaff (Trustee)

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

STATEMENT OF CASH FLOWS AS AT 31 DECEMBER 2015

	Notes	2015 £	2014 £
Cash flows from operating activities:			
Net cash (used in) / provided by operating activities	18	(335,805)	100,774
Cash flows from investing activities:			
Dividends, interests and rent from investments		292,727	331,352
Proceeds from sale of investments		960,101	718,853
Purchase of investments		(1,766,895)	(674,843)
Purchase of tangible fixed assets		(1,352,962)	(25,170)
Net cash (used in) / provided by investing activities		(1,867,029)	350,192
Cash flows financing activities:			
Repayments of borrowing		(37,902)	(56,355)
Interest free loans to clergy		(17,222)	(3,311)
Net cash used in financing activities		(55,124)	(59,666)
Change in cash and cash equivalents in the year		(2,257,958)	391,300
Cash and cash equivalents at the beginning of the reporting period		10,364,618	9,973,318
Cash and cash equivalents at the end of the reporting period	19	8,106,660	10,364,618

The notes on pages 18 to 35 form part of these accounts.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

1 ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

(b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS102 a restatement of comparative items was needed. The date of transition was 1 January 2014 and no restatement of balances was required other than to reclassify governance costs as support costs.

(c) Going Concern

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. As such, the trustees continue to adopt the going concern basis in preparing these financial statements.

(d) Funds structure

Restricted Funds and Permanently Endowed Funds

The Charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose. Details of funds subject to legal restriction are set out in note 15.

Unrestricted and Parochial Funds

Each parish is considered by canon law to be a juridical person with corresponding rights and obligations, including the holding and use of funds. The use of these parochial funds is the responsibility of the parish priest, Diocesan Finance Board, College of Consultors and the Bishop in varying ways depending on the amount and significance of the funds. Whilst they have certain characteristics of restricted funds, they are considered to be unrestricted, but designated.

Unrestricted income funds comprise of funds which the trustees are free to use for any purpose in the furtherance of the charitable objectives.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

1 ACCOUNTING POLICIES (continued)

Designated Funds

Details of the funds designated by the trustees are set out in note 14.

(e) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Legacies, Donations and Grants

For legacies, entitlement is taken on a case by case basis as the earlier of the date on which the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity. Where legacies have been notified to the or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Grants are recognised when receivable.

Investments and Investment Income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio. Income from Government Securities is recognised when it is received. Income accrued and not received on these securities at 31 December is included in the market value of the investments held.

Rental income under operating leases is charged to the profit and loss accounts on a straight line basis over the terms of the lease.

(f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds includes fees and charges for the management of the investment portfolio and fundraising costs.
- Expenditure on charitable activities includes direct, governance and support costs attributable to the four main activities of the charity being provision of worship, clergy and parish support, pastoral care and community support and the schools programme.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

1 ACCOUNTING POLICIES (continued)

Gains and Losses

Unrealised gains/losses on investments are calculated as the difference between opening market value and closing market value after adjusting for additions and disposals during the year.

Schools Building Programme

The Diocese assists schools undertaking major projects by meeting the costs and claiming grants on behalf of the schools. These grants are netted off against the cost and only the net costs to the Diocese are included in the financial statements.

(g) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's activities. These costs are apportioned between charitable activities on the basis of the Trustees' estimate of time spent on the relevant functions.

(h) Taxation and Irrecoverable VAT

The Diocese is a registered charity and is exempt from corporate taxes, to the extent of operating within its charitable objectives. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(i) Tangible fixed assets

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 buildings	50 years
Furniture, equipment and motor vehicles	5 years

The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

The Diocese has 23 voluntary aided and 2 inter-denominational church schools, which are constituted as separate charities. This number will change as two senior schools have opted for Academy status and are now self-financing. It is likely that some other schools may also opt for free school status. The school properties (land and buildings) are vested in the name of the Diocesan trustees and for this reason will continue to contribute to capital improvement costs. The Diocesan 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.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

1 ACCOUNTING POLICIES (continued)

(j) Investment Properties

Investment properties are valued by the trustees at fair value and are not depreciated.

The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

(k) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the mid-market quoted price (the difference between mid-market and bid price is deemed not to be material). The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(l) Debtors

Sundry debtors are recognised at the settlement amount due. Prepayments are valued at the amount repaid net of any trade discounts due.

(m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(n) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Fixed assets are recorded at depreciated historical cost or revaluation and all other assets and liabilities are recorded at cost which is their fair value.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

1 ACCOUNTING POLICIES (continued)

(p) Pension

Pension contributions to a defined contribution pension scheme are charged to the statement of financial activities as they occur. These contributions are invested separately from the Charity's assets.

Certain staff are members of a Pensions Trust personal pension scheme growth plan to which they make contributions. The Diocese contributes an additional amount to the employee's contribution. The scheme has been treated as a defined contribution scheme as disclosed in note 23.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

2a. INCOME FROM DONATIONS AND LEGACIES – CURRENT YEAR

	Unrestricted Funds		Restricted funds	Parochial funds	2015 Total
	General	Designated			
	£	£	£	£	£
Legacies	41,446	-	30,447	654,551	726,444
Donations including plate collections	122,499	-	630,824	3,773,979	4,527,302
Grants	-	-	85,000	22,045	107,045
Total	163,945	-	746,271	4,450,575	5,360,791

2b. INCOME FROM DONATIONS AND LEGACIES – PRIOR YEAR

	Unrestricted Funds		Restricted funds	Parochial funds	2014 Total
	General	Designated			
	£	£	£	£	£
Legacies	226,115	-	105,335	78,162	409,612
Donations including plate collections	122,011	-	343,315	3,733,350	4,198,676
Grants	-	-	57,919	86,167	144,086
Total	348,126	-	506,569	3,897,679	4,752,374

3a. INCOME FROM CHARITABLE ACTIVITIES – CURRENT YEAR

	Unrestricted Funds		Restricted funds	Parochial funds	2015 Total
	General	Designated			
	£	£	£	£	£
Altar society and repository sales	-	-	-	101,923	101,923
Chaplaincies	-	-	-	63,436	63,436
Total	-	-	-	165,359	165,359

3b. INCOME FROM CHARITABLE ACTIVITIES – PRIOR YEAR

	Unrestricted Funds		Restricted funds	Parochial funds	2014 Total
	General	Designated			
	£	£	£	£	£
Altar society and repository sales	-	-	-	121,209	121,209
Chaplaincies	-	-	-	41,695	41,695
Total	-	-	-	162,904	162,904

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

4a. INCOME FROM OTHER TRADING ACTIVITIES – CURRENT YEAR

	Unrestricted Funds		Restricted funds	Parochial funds	2015 Total
	General	Designated			
	£	£	£	£	£
Parish hall and other rents received	8,788	-	3,126	244,765	256,679
Fundraising events	-	-	-	131,549	131,549
Total	8,788	-	3,126	376,314	388,228

4b. INCOME FROM OTHER TRADING ACTIVITIES – PRIOR YEAR

	Unrestricted Funds		Restricted funds	Parochial funds	2014 Total
	General	Designated			
	£	£	£	£	£
Parish hall and other rents received	2,268	-	16,351	178,033	196,652
Fundraising events	-	-	-	142,458	142,458
Total	2,268	-	16,351	320,491	339,110

5a. INVESTMENT INCOME – CURRENT YEAR

	Unrestricted Funds		Restricted funds	Parochial funds	2015 Total
	General	Designated			
	£	£	£	£	£
Arising on quoted investments	76,782	12,180	24,133	8,034	121,129
Income from investment properties	-	-	-	147,508	147,508
Bank interest	16,343	-	-	7,747	24,090
Total	93,125	12,180	24,133	163,289	292,727

5b. INVESTMENT INCOME – PRIOR YEAR

	Unrestricted Funds		Restricted funds	Parochial funds	2014 Total
	General	Designated			
	£	£	£	£	£
Arising on quoted investments	98,028	12,698	22,503	3,147	136,376
Income from investment properties	-	-	-	163,986	163,986
Bank interest	11,643	-	-	19,247	30,890
Total	109,671	12,698	22,503	186,380	331,252

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

6a. EXPENDITURE – CURRENT YEAR

	General Funds £	Designated Funds £	Restricted Funds £	Parochial Funds £	2015 Total £
Cost of raising funds					
Fundraising and social	-	-	256,596	36,800	293,396
Investment management fees	10,162	4,850	8,066	7,348	30,426
Investment property repairs	417	-	-	-	417
	<u>10,579</u>	<u>4,850</u>	<u>264,662</u>	<u>44,148</u>	<u>324,239</u>
Provision of worship					
Upkeep of buildings	207,061	-	177,625	1,059,076	1,443,762
Depreciation	-	-	-	362,003	362,003
Support costs	113,429	-	-	-	113,429
	<u>320,490</u>	<u>-</u>	<u>177,625</u>	<u>1,421,079</u>	<u>1,919,194</u>
Clergy and parish support					
Clergy and church costs	99,362	-	103,238	1,269,088	1,471,688
Education and training	30,271	-	155,647	-	185,918
Parish administration	-	-	-	1,326,441	1,326,441
Support costs	113,429	-	-	-	113,429
	<u>243,062</u>	<u>-</u>	<u>258,885</u>	<u>2,595,529</u>	<u>3,097,476</u>
Pastoral Care and Community Support					
Child protection	34,486	-	-	-	34,486
Youth service	90,113	-	-	-	90,113
Other commissions	53,638	-	13,906	-	67,544
Pilgrimages	-	-	-	28,230	28,230
Donations to charity	-	-	60,335	47,201	107,536
Support costs	56,714	-	-	-	56,714
	<u>234,951</u>	<u>-</u>	<u>74,241</u>	<u>75,431</u>	<u>384,623</u>
Schools programme					
Building programme	-	(27,580)	-	-	(27,580)
Direct support costs	-	201,419	-	-	201,419
Support costs	232,013	-	-	-	232,013
	<u>232,013</u>	<u>173,839</u>	<u>-</u>	<u>-</u>	<u>405,852</u>
Total Expenditure	<u>1,041,095</u>	<u>178,689</u>	<u>775,413</u>	<u>4,136,187</u>	<u>6,131,384</u>

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

6b. EXPENDITURE – PRIOR YEAR

	General Funds £	Designated Funds £	Restricted Funds £	Parochial Funds £	2014 Total £
Cost of generating funds					
Fundraising and social	6,648	-	12,831	29,525	49,004
Investment management fees	7,238	3,716	6,174	5,584	22,712
Investment property repairs	3,780	-	-	-	3,780
	<u>17,666</u>	<u>3,716</u>	<u>19,005</u>	<u>35,109</u>	<u>75,496</u>
Provision of worship					
Upkeep of buildings	334,255	-	322,653	1,042,678	1,699,586
Depreciation	-	-	-	354,089	354,089
Support costs	132,273	-	-	-	132,273
	<u>466,528</u>	<u>-</u>	<u>322,653</u>	<u>1,396,767</u>	<u>2,185,948</u>
Clergy and parish support					
Clergy and church costs	117,483	-	118,269	1,166,841	1,402,593
Education and training	30,743	-	128,595	-	159,338
Parish administration	-	-	-	1,245,111	1,245,111
Support costs	132,273	-	-	-	132,273
	<u>280,499</u>	<u>-</u>	<u>246,864</u>	<u>2,411,952</u>	<u>2,939,315</u>
Pastoral Care and Community Support					
Child protection	48,682	-	-	-	48,682
Youth service	61,037	-	-	-	61,037
Other commissions	45,029	-	14,503	-	59,532
Pilgrimages	-	-	-	18,826	18,826
Donations to charity	-	-	35,695	57,403	93,098
Support costs	66,137	-	-	-	66,137
	<u>220,885</u>	<u>-</u>	<u>50,198</u>	<u>76,229</u>	<u>347,312</u>
Schools programme					
Building programme	-	75,422	-	-	75,422
Direct support costs	-	189,586	-	-	189,586
Support costs	265,486	-	-	-	265,486
	<u>265,486</u>	<u>265,008</u>	<u>-</u>	<u>-</u>	<u>530,494</u>
Total Expenditure	<u>1,251,064</u>	<u>268,724</u>	<u>638,720</u>	<u>3,920,057</u>	<u>6,078,565</u>

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

7a. SUPPORT COSTS – CURRENT YEAR

	Provision of worship £	Support of clergy £	Pastoral care and community support £	Schools programme £	2015 Total £
Office administration	82,509	82,509	41,255	168,768	375,041
Rates, Insurance and utilities	3,821	3,821	1,910	7,815	17,367
Maintenance and repairs	10,811	10,811	5,405	22,113	49,140
Gift Aid expenses	407	407	204	833	1,851
Professional fees	3,500	3,500	1,750	7,158	15,908
Depreciation	3,642	3,642	1,821	7,449	16,554
Governance costs	5,747	5,747	2,874	11,756	26,124
Other	2,992	2,992	1,495	6,126	13,605
	113,429	113,429	56,714	232,018	515,590

7b. SUPPORT COSTS – PRIOR YEAR

	Provision of worship £	Support of clergy £	Pastoral care and community support £	Schools programme £	2014 Total £
Analysis and allocation of support costs:					
Office administration	64,058	64,058	29,229	129,495	286,840
Rates, insurance and utilities	3,752	3,752	1,876	7,521	16,901
Maintenance and repairs	49,234	49,234	24,618	98,690	221,776
Gift Aid expenses	737	737	369	1,478	3,321
Professional fees	3,744	3,744	1,873	7,506	16,867
Depreciation	1,557	1,557	778	3,121	7,013
Governance costs	8,382	8,382	4,191	17,145	38,100
Other	809	809	3,203	530	5,351
	132,273	132,273	66,137	265,486	596,169

8. GOVERNANCE COSTS

	2015 Total £	2014 Total £
Auditors remuneration – audit services	20,000	38,100
Auditors remuneration – other / accountancy	6,124	540
	26,124	38,640

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

9. STAFF

The average number of employees of the Diocese during the year and their aggregate emoluments are shown below:

	2015	2014
	£	£
Staff costs:		
Wages and salaries	775,867	699,663
Social security	53,389	74,080
Pension costs	22,561	13,038
	<u>851,817</u>	<u>786,781</u>

The average number of employees during the year was:

	2015	2014
	No	No
Administration	13	13
Parish employees	52	45
	<u>65</u>	<u>58</u>

Employees earning in excess of £60,000 during the year were as follows:

	2015	2014
	No	No
£60,000 - £70,000	<u>1</u>	<u>-</u>

The Charity considers its key management personnel to comprise the trustees, the Finance Officer and the Schools Officer. No trustee received any remuneration or benefits during the year, except as disclosed above. The total employee benefits of key management personnel during the year were £121,740 (2014: £100,291).

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

10. TANGIBLE FIXED ASSETS

	Freehold Buildings £	Furniture and equipment £	Motor vehicles £	Total £
Valuation and cost				
As at 1 January 2015	17,137,869	960,952	59,664	18,158,485
Additions	1,339,967	-	12,995	1,352,962
	<u>18,477,836</u>	<u>960,952</u>	<u>72,659</u>	<u>19,511,447</u>
Depreciation				
As at 1 January 2015	3,608,526	923,074	39,528	4,571,128
Charge for year	353,500	18,939	6,117	378,556
	<u>3,962,026</u>	<u>942,013</u>	<u>45,645</u>	<u>4,949,684</u>
Net Book Value				
At 31 December 2015	<u>14,515,810</u>	<u>18,939</u>	<u>27,014</u>	<u>14,561,763</u>
At 31 December 2014	<u>13,529,343</u>	<u>37,878</u>	<u>20,136</u>	<u>13,587,357</u>

The Diocese also owns a number of schools of which the Trustees consider that their ownership is that of a custodianship and so have not been capitalised. For insurance purposes, the Diocese's Insurers allow a notional reinstatement value of £500,000 for each school, irrespective of size. This sum purports to represent 10% of the governors' responsibilities for the external fabric of school buildings, based upon a notional value of £3m plus for each school's buildings. In 2015, the notional replacement value of the schools insured by the Diocese was £10.2m (2014: £10.2m).

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

11. INVESTMENTS

	2015 £	2014 £
Balance at 1 January 2015	5,532,034	5,399,326
Additions	1,766,895	674,843
Disposals at opening market value	(971,300)	(749,929)
Unrealised (losses) / gains during year	(73,424)	186,799
Movement in cash balances	662,927	20,995
	<u>6,917,132</u>	<u>5,532,034</u>
Analysis of investments:		
Investment properties	1,639,862	1,639,862
Quoted investments	4,574,789	3,852,618
Cash	702,481	39,554
	<u>6,917,132</u>	<u>5,532,034</u>

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

11. INVESTMENTS (continued)

Cost of quoted Investments at 31 December	4,792,414	3,198,794
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All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value. Investment sales and purchases are recognised at the date of trade cost (that is their transaction value).

12. DEBTORS

	2015 £	2014 £
Grants due on school projects	853,321	1,306,287
Tax due on covenants	360,000	360,000
Interest free car loans to clergy	43,031	25,809
Legacies due	203,000	82,500
Other debtors and accrued income	107,266	49,436
	<u>1,566,618</u>	<u>1,824,032</u>

The interest free car loans to clergy are repayable over a term of 3 years.

13. CREDITORS

	2015 £	2014 £
Due within one year		
Loans to diocese from third parties	133,237	132,326
Collections to be paid out	102,701	79,632
Monies held on behalf of third parties	49,126	127,662
School project monies received in advance and Devolved Formula Funding held on behalf of schools	323,172	1,402,726
Due to the East Anglian Diocesan Sick and Retired Clergy Fund	238,338	221,459
Other creditors	399,736	176,422
	<u>1,246,310</u>	<u>2,140,227</u>
Due after one year		
Loans due in 2 to 5 years	120,496	159,309
Loans due after 5 years	20,000	20,000
	<u>140,496</u>	<u>179,309</u>

Bank borrowings are secured by way of a fixed charge on Ditton Lane, a parish property.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

14a. DESIGNATED FUNDS – CURRENT YEAR

	Balance at 1 January 2015 £	Net Incoming Resources £	Transfers £	Gains on Investments £	Balance at 31 December 2015 £
Schools Consortium Fund	2,607,608	(46,887)	530,569	(11,347)	3,079,943
Other funds	31,983	195	-	-	32,178
	<u>2,639,591</u>	<u>(46,692)</u>	<u>530,569</u>	<u>(11,347)</u>	<u>3,112,121</u>

14b. DESIGNATED FUNDS – PRIOR YEAR

	Balance at 1 January 2014 £	Net Incoming Resources £	Transfers £	Gains on Investments £	Balance at 31 December 2014 £
Schools Consortium Fund	2,349,821	(256,026)	511,263	2,550	2,607,608
Other funds	31,807	-	176	-	31,983
	<u>2,381,628</u>	<u>(256,026)</u>	<u>511,439</u>	<u>2,550</u>	<u>2,639,591</u>

Schools Consortium Funds

A quota is levied on all parishes to finance the Diocese's schools building programme and other schools costs. Expenditure is paid from a central fund. Transfers represent quotas received from parishes.

15a. RESTRICTED FUNDS AND PERMANENTLY ENDOWED FUNDS – CURRENT YEAR

	Balance at 1 January 2015 £	Net Incoming Resources £	Transfers £	Gains/ (losses) on Investments £	Balance at 31 December 2015 £
Restricted Funds					
Priests' Training Fund	26,625	(21,563)	-	(2,908)	2,154
Ministerial Training Fund	512,227	38,438	-	(12,735)	537,930
Vocations Fund	104,023	1,497	-	-	105,520
Trust Funds	170,748	2,679	-	(1,591)	171,836
Clergy Pension Fund	1,580,997	(84,650)	238,639	-	1,714,986
Parochial restricted funds	134,582	216,740	-	-	351,322
Alive in Faith	-	(86,122)	-	-	(86,122)
Other Funds	399,568	(41,605)	51	(4,695)	353,319
	<u>2,908,770</u>	<u>25,414</u>	<u>238,690</u>	<u>(21,929)</u>	<u>3,150,945</u>
Permanently Endowed Trust Funds	<u>130,514</u>	<u>(697)</u>	<u>-</u>	<u>(3,482)</u>	<u>126,335</u>
	<u>3,039,284</u>	<u>24,717</u>	<u>238,690</u>	<u>(25,411)</u>	<u>3,277,280</u>

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

15b. RESTRICTED FUNDS AND PERMANENTLY ENDOWED FUNDS – PRIOR YEAR

	Balance at 1 January 2014 £	Net Incoming Resources £	Transfers £	Gains/ (losses) on Investments £	Balance at 31 December 2014 £
Restricted Funds					
Priests' Training Fund	111,678	(85,721)	14	654	26,625
Ministerial Training Fund	486,306	(4,282)	28,043	2,160	512,227
Vocations Fund	-	103,435	588	-	104,023
Trust Funds	170,304	2,037	841	(2,434)	170,748
Clergy Pension Fund	1,416,421	(84,622)	229,198	-	1,560,997
Parochial restricted funds	151,312	(16,730)	-	-	134,582
Other Funds	404,999	(6,876)	392	1,053	399,568
	<u>2,741,020</u>	<u>(92,759)</u>	<u>259,076</u>	<u>1,433</u>	<u>2,908,770</u>
Permanently Endowed Trust Funds	<u>133,512</u>	<u>(538)</u>	<u>-</u>	<u>(2,460)</u>	<u>130,514</u>
	<u>2,874,532</u>	<u>(93,297)</u>	<u>259,076</u>	<u>(1,027)</u>	<u>3,039,284</u>

Priests' Ministerial Training and Vocation Funds

Income is used to help pay seminarians' college fees and training expenses, diaconate expenses and training costs of lay ministers.

Trust Funds

These funds consist of donations and other income which have been invested, the income generated being spent on the relevant specific purposes.

Clergy Pension Fund

Contributions from parochial funds to fund pensions for clergy

Parochial Restricted Funds

This fund consists of donations received by parishes towards specific projects. Transfers represent amounts spent on fixed assets.

Alive in Faith and Other Funds

This fund consists of donations and other contributions for specific purposes other than those listed above.

Permanently Endowed Trust Funds

Certain parish and other funds are permanently endowed. The income arising on these funds is credited to General or Restricted Funds in accordance with the terms of the original endowment.

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

16a. ALLOCATION OF THE CHARITY NET ASSETS – CURRENT YEAR

	Fixed Assets £	Investments £	Net current Assets £	2015 Total £
Unrestricted funds	723,059	3,875,767	795,354	5,394,180
Parish funds	13,838,704	2,222,944	4,329,778	20,391,426
Permanently endowed funds	-	126,335	-	126,335
Restricted funds	-	692,086	2,458,859	3,150,945
Total net assets	14,561,763	6,917,132	7,583,991	29,062,886

16b. ALLOCATION OF THE CHARITY NET ASSETS – PRIOR YEAR

	Fixed Assets £	Investments £	Net current Assets £	2014 Total £
Unrestricted funds	86,462	2,439,155	3,019,215	5,544,832
Parish funds	13,500,895	2,244,105	4,619,835	20,364,835
Permanently endowed funds	-	130,514	-	130,514
Restricted funds	-	718,260	2,190,510	2,908,770
Total net assets	13,587,357	5,532,034	9,829,560	28,948,951

17a. TRANSFERS – CURRENT YEAR

	General Fund £	Designated Funds £	Restricted Funds £	Parochial Funds £
Interest allocation between parishes and funds	(83,041)	33,582	23,533	25,926
Levy on offertory income of parishes	219,000	-	27,373	(246,373)
Clergy Pension Levy	-	-	211,266	(211,266)
Parish assessments (Schools Levy)	-	546,987	-	(546,987)
Schools Consortium	50,000	(50,000)	-	-
Total net assets	185,959	530,569	262,172	(978,700)

17b. TRANSFERS – PRIOR YEAR

	General Fund £	Designated Funds £	Restricted Funds £	Parochial Funds £
Interest allocation between parishes and funds	(83,708)	31,823	24,080	27,805
Levy on offertory income of parishes	210,668	-	26,478	(237,146)
Clergy Pension Levy	-	-	208,518	(208,518)
Parish assessments (Schools Levy)	-	529,616	-	(529,616)
Schools Consortium	50,000	(50,000)	-	-
Total net assets	176,960	511,439	259,076	(947,475)

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

18 RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	113,935	(337,202)
Adjustments for:		
Depreciation charges	378,556	361,103
Losses / (gains) on investments	84,623	(155,723)
Decrease / (increase) in debtors	274,636	246,351
(Decrease) / increase in creditors	(894,828)	317,597
Dividends, interest and rents from investments	(292,727)	(331,352)
Net cash (used in) / provided by operating activities	<u>(335,805)</u>	<u>100,774</u>

19 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2015 £	2014 £
Cash in hand	7,404,179	10,325,064
Cash held in investment portfolio	702,481	39,554
Total cash and cash equivalents	<u>8,106,660</u>	<u>10,364,618</u>

20. TRANSACTIONS WITH TRUSTEES

A majority of trustees of the Diocese are also parish priests in the Diocese. As priests they receive income from their parishes together with living accommodation, living expenses and reimbursement of costs incurred on behalf of their parish and the Diocese on the same basis as other priests within the Diocese. They do not receive any remuneration or benefits from their trusteeship.

During the year expenses were paid to third parties on behalf of Bishop Alan Hope in relation to travel and subsistence and health insurance amounting to a total of £38,724 (2014: £30,436).

21. COMMITMENTS

	2015 £	2014 £
Contracted for building works	375,000	-
Authorised but not contracted for (Schools Buildings Programme)	440,000	383,000
	<u>815,000</u>	<u>383,000</u>

THE ROMAN CATHOLIC DIOCESE OF EAST ANGLIA

Notes to the accounts for the year ended 31 December 2015

22. CONNECTED CHARITIES

The Roman Catholic Cathedral of East Anglia Preservation and Development Trust (Registered Charity No. 1087277) was set up to apply the income and the capital of the Trust to charitable purposes connected with the Cathedral.

The Cathedral of Saint John the Baptist Trust (Registered Company No. 8491913, Registered Charity No. 1152820) was incorporated on 27 February 2013 and took over the running of the Narthex at the Cathedral from July 2013.

23. PENSIONS

The Diocese participates in the Pensions Trust's Growth Plan. The scheme is a multi-employer pension plan which is a money purchase scheme with guaranteed benefits. The Diocese would have a liability if it ceased to participate in the scheme, which at 31 December 2015 was calculated as approximately £35,000 repayable in annual instalments by 2023. The Diocese currently has no plans to leave the scheme, so this contingent liability has not been provided for in the accounts and has therefore been recognised as a defined contribution scheme when the payments are made.