

**Catholic
Trust for
England
and Wales**

Annual Report and Financial Statements

31 December 2012

Company Registration Number
4734592

Charity Registration Number
1097482

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Reference and administrative details of the charity, its trustees and advisers

Registered name	Catholic Trust for England and Wales
Charity Registration number	1097482
Company registration number	04734592
Principal office	39 Eccleston Square London SW1V 1BX
Website	www.catholic-ew.org.uk
Trustees	Rt Rev Malcolm McMahon OP (Chair) Mgr Michael McKenna (Vice-Chair) (retired 5 July 2012) Mr Ben Andradi Ms Alison Cowdall (retired 5 July 2012) Mr John Gibbs (retired 5 July 2012) Mr Richard King Mr Peter Lomas (retired 5 July 2012) Mr William Moyes Mgr John Nelson (Vice-Chair) Mr Nigel Newton Mr Michael Prior Canon Nicholas Rother (retired 5 July 2012) Mr Robin Smith (retired 5 July 2012) Dr Elizabeth Walmsley Dr James Whiston (retired 5 July 2012)
Company Secretary	Mgr Marcus Stock
Management Group	Mgr Marcus Stock – General Secretary Alexander DesForges – Director CCN Matt Feeley – Head of Fundraising Michaela Kelly – Head of Human Resources Sarah Pearson – Head of Finance David Ryall – Assistant General Secretary Lorraine Welch – PA to the General Secretary Charles Wookey – Assistant General Secretary
Auditors	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

Reference and administrative details of the charity, its trustees and advisers

Bankers

HSBC plc
69 Pall Mall
London
SW1V 5EY

Solicitors

DLA Piper LLP
3 Noble Street
London
EC2V 7EE

Jose Perez
Rue Marques da Fronteira
1070-295 Lisboa
Portugal

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22 East Parade
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Investec Wealth & Investment Limited
2 Gresham Street
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Trustees' report 31 December 2012

Structure, Governance and Management

The trustees, who are the directors for the purposes of company law, present their annual report and the financial statements of the Catholic Trust for England and Wales (CaTEW) for the year ended 31 December 2012.

This report has been prepared in accordance with Part VI of the Charities Act 2011 and Schedule 415 of the Companies Act 2006.

Constitution

The Catholic Trust for England and Wales was incorporated as a company limited by guarantee on 15 April 2003 and is registered as a charity. The Trust's governing document is the Memorandum and Articles of Association.

Principal aims

The Trust promotes the Catholic religion principally, but not exclusively, in England and Wales. CaTEW has brought together predecessor charities that existed to support the work of the Catholic Church in these countries. It supports the charitable, financial and legal activities of the Catholic Bishops' Conference of England and Wales, its agencies and offices.

Trustees

The retirement by rotation, and re-election procedures for the trustees are set out in the Memorandum and Articles of Association. There must be a minimum of eight trustees, but there is no maximum.

The trustee selection process aims to ensure that the trustee board collectively has the skills and experience to properly fulfil its functions. Trustees are sought through an extensive process of nomination in which candidates are evaluated against clear specifications.

In keeping with the Trust's objectives, it is a requirement that candidates are committed Catholics. In order to properly discharge their duties, trustees are provided with an induction. Background information on the charity's constitution, objects and finances, together with an introduction to the structure and workings of the Trust and material explaining trustees' legal responsibilities, is provided. Where trustees identify a need for training to effectively carry out their duties, appropriate resources are identified and training provided.

Trustees serving throughout the year and at the date on which this report was signed are shown on page 1.

Trustees' responsibilities statement

The trustees (who are also directors of Catholic Trust for England and Wales for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law required trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities SORP;
- ◆ make judgements and estimates that are reasonable and prudent;

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- ◆ state whether applicable UK 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Organisational structure

The governance of the charity is accomplished through the Annual General Meeting with the members, meetings of the Board of Trustees and its constituent committees. The day to day management of the charity is delegated to the Management Group, detailed on page 1 of this report, and is supervised through the constituent committee meetings.

Risk assessment

The trustees annually assess the major risks to which the charity is exposed, in particular those relating to specific operational areas of the charity, its investments and its finances by identifying and ranking risks in terms of their potential impact and likelihood. The trustees believe that by monitoring reserve levels, ensuring controls exist over key financial systems, and examining the operational and business risks faced by the charity they are developing appropriate management strategies, and are establishing effective systems to mitigate these risks.

Major risks that have been identified are:

- As CaTEW operates to a static levy and operating costs are rising, it is necessary to find alternate sources of income to fund the ongoing work of the Bishops' Conference. It is also imperative that the organisation is run as effectively and efficiently as possible to reduce the reliance on fundraising income to fund core work.

Subsidiary companies

The charity has three wholly owned subsidiary companies: Colloquium (CaTEW) Limited, The Papal Visit Limited and The Papal Visit 2010 Limited.

Colloquium (CaTEW) Limited was incorporated on 15 April 2003. Colloquium collects royalties from the sale of publications by the Bishops' Conference.

The Papal Visit Limited was incorporated on 18 May 2010 as a company limited by guarantee. The Papal Visit Limited is also a registered charity, its purpose being to promote the advancement of the Roman Catholic religion through the support of the Visit of Pope Benedict XVI to Great Britain in 2010.

The Papal Visit 2010 Limited was incorporated on 18 May 2010, its purpose being to enter into commercial agreements

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Subsidiary companies(continued)

on behalf of The Papal Visit Limited. The Papal Visit 2010 Limited is a wholly owned subsidiary of The Papal Visit Limited, with the Catholic Trust for England and Wales being its ultimate parent undertaking.

All three subsidiary companies results are included in the consolidated financial statements presented with this report.

Relations with other Charitable Organisations

At the request of the Bishops' Conference of England and Wales and with the agreement of the Irish Episcopal Conference and the Bishops' Conference of Scotland, CaTEW assumed the corporate trusteeship of the Anscombe Bioethics Centre (previously the Linacre Centre for Healthcare Ethics) (Registered Charity Number 274327) on 27 February 2006.

On behalf of the three Bishops' Conferences mentioned above, the Trust acquired premises for the St Luke's Centre (Registered Charity Number 1111058), a wellness centre for priests and religious, and acts as the landlord for the centre.

As the administrative arm of the Bishops' Conference of England and Wales, the Trust has close links with the Diocesan charities, through which the annual assessments are made. The Trust relates to the charities of religious congregations within the Conference of Religious, particularly through its provision of the administrative, legal, human resource and financial management for the Catholic Safeguarding Advisory Service (CSAS). The Trust also relates closely to those agencies of the Bishops' Conference that exist as independent charities. The main ones being the Catholic Agency for Overseas Development (CAFOD), the Catholic Education Service, Caritas-Social Action Network, the Pontifical Mission Societies, the Catholic Agency for Racial Justice and the Apostleship of the Sea. The Trust provides office accommodation for the National Justice and Peace Network, Churches Together in Britain and Ireland and the Catholic Medical Association.

Objectives and Activities

In order to fulfil its charitable aims and objectives, the activities of CaTEW are determined by the requirements of the Bishops' Conference of England and Wales.

The Catholic Bishops' Conference of England and Wales is a permanent body within the organisation of the Catholic Church that brings together the Bishops of England and Wales. As a Conference the Bishops "jointly exercise certain pastoral functions for the Christian faithful... in order to promote the greater good which the Church offers to humanity, especially through forms and programs of the apostolate fittingly adapted to the circumstances of time and place" (cf. *Code of Canon Law* can 447).

The departments of CaTEW identify the present broad areas of activity for the Bishops in supporting the Dioceses of England and Wales and witnessing to the Gospel in the contemporary world: Catholic Education and Formation, Christian Life and Worship, Christian Responsibility and Citizenship, Dialogue and Unity, Evangelisation and Catechesis and International Affairs.

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Public Benefit

Through the work of the agencies, departments and projects set out below, the Trust, in line with the Church's teachings, looks to ensure the moral and spiritual well being of the individual, and to help discern the common good, being what is best for all in society.

As well as the promotion of Catholicism and the application of the Gospel's teachings to the modern day world, the Trust supports people to live out their faith through guidance at a local level as well as advancement and direction of national policy.

The details of individual projects which are of public benefit can be found further below in the report.

As well as working on behalf of existing Catholics, the Church is open to and welcomes Catholics and non-Catholics alike. The work of the Trust contributes to the sum of public knowledge by publishing items which impact on Catholic life and detailing the work of the Trust on its website and via its media service and resources, both of which are freely available to all.

The trustees have referred to the Charity Commissioners' general guidance on Public Benefit when reviewing their aims and objectives in planning their future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Catholic Education and Formation

The main activity of the Department is focused through the meetings of the Bishops, agreeing policy direction with the Catholic Education Service (CES - formerly and customarily called the Catholic Education Service of England and Wales), which is a distinct charity funded through a separate assessment from Dioceses.

The Bishops of the Department, with the support of the CES have engaged in debate with Government on the role of Catholic schools and their contribution to society. The Department has overseen the thorough revision and publication of the Curriculum Directory for Religious Education in Catholic Schools. The Department has supported the CES in the promotion of Church schools and Higher Education Institutions in the light of new Government legislation relating to Academies, Curriculum and Initial Teacher Training. The Department has also advertised for and appointed a new Director of the CES, Mr Paul Barber. The Department is cooperating with the Department for Citizenship and Responsibility with a view to preparing good quality guidelines for Sex and Relationships Education.

National Office for Vocations

The Department continues to support the work of the National Office for Vocation through its Director and new staff structure. The National Office for Vocation (NOV), works in collaboration with local and national agencies to support the promotion of 'vocation' within the Catholic community. This includes the calling to marriage, to single life, to the diaconate as well as priesthood and consecrated life.

The priority during 2012 has been to gain the approval of CBCEW for the National Vocations Framework in the spring and then to launch it at four regional meetings to which key local stakeholders were invited. Over 300 people attended and were positive in their response. In support of the Framework, NOV undertook two new communications initiatives. With funding from the Catenian Association, the NOV suite of web sites was refreshed and extended, with the redesign of ukpriest.org, the creation of religiouslife.org and a new look for ukvocation.org. In partnership with the CTS, NOV published the first of a new series of short leaflets on different vocations, aiming to add one a year in future.

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Catholic Education and Formation (continued)

In partnership with Boston College USA and the International Theological Institute, Austria, NOV ran a seminar on the theology of vocation. The papers will be published by T and T Clark in 2013 under the title 'The Disciples' Call: theologies of vocation from scripture to the present day.'

Throughout the year, the members of the NOV team have led training days for clergy and religious, teachers and youth workers interested in vocations ministry. A significant feature of the year has been the marked increase in those joining apostolic religious congregations and a clear halt in the decline of the numbers getting married in the Catholic Church, as well as some 200 men training for the priesthood.

The Department also continues to support the training and ongoing formation of priests and permanent deacons.

Christian Life and Worship

The Department for Christian Life and Worship advises the Bishops' Conference on matters relating to liturgy, heritage and spirituality.

Following the publication of the new translation of the Roman Missal in 2011 continuing support and resources was offered to dioceses to assist in its implementation and to uncover its riches. This work included collaboration with publishers to ensure that the Church was served with quality printed materials for the liturgy. Work has also begun with the translation of other liturgical rites. The bishops considered and commented on draft texts for Confirmation and Marriage.

The website of the Liturgy Office offers a wide range of liturgical resources for parishes and individuals. Achievements include the growing provision of liturgical documents online as a reference for those engaged in liturgical formation, and the annual liturgical calendar.

The appointment of a Historic Places of Worship Support Officer has meant the opportunity to raise the profile of the Catholic Churches heritage of buildings in England and Wales as well as assisting with specific local projects to support and maintain some historic churches.

Christian Responsibility and Citizenship

During 2012 the department made significant progress in addressing its three strategic priorities. These are: support of marriage and family life, support of marginalized and vulnerable people, and the promotion of life issues and the dignity of the person. In addition, an international conference on Human Dignity took place and a new initiative A blueprint for better business was launched. These are briefly noted in turn below.

Support of marriage and family life –

2012 saw the completion of the current phase of work "supporting families", consisting of projects in 13 of the dioceses funded through a £1m donation given to the Bishops Fundraising initiative Faith in the future in 2006. A full report describing the projects and the outcomes was published during the year. During 2012 there was a continuation of existing work to support dioceses in developing family-friendly parishes, promoting family spirituality and strengthening marriage preparation, particularly to pursue outcomes of the marriage preparation enquiry, increasing access to programmes, undertaking further research as to impact and producing guidelines to promote best practice. Two major research reports for the Bishops were commissioned and published. One was a detailed review of marriage preparation courses and materials, together with an analysis of feedback from participants on the courses. The second was a theological analysis of the content of the courses on offer. Both reports contained important recommendations which

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Christian Responsibility and Citizenship (continued)

have fed directly into strategic planning of future work. Another aspect to the work in 2012 has been to build on the foundational work of the Passing on the Faith project to prepare and publish a framework for lifelong family catechesis and parent education, developing new catechetical resources to support parents in deepening their own faith and that of their children at home. Alongside this to continue to develop support for grandparents and for the faith formation needs of families over the life-cycle. A further focus of the strategic planning undertaken during the year was to undertake extensive consultations in the dioceses and with individual bishops to explore how best to respond to formation needs in dioceses emerging from the marriage preparation enquiry and the proposed framework for family catechesis, to develop sustainable models for training in family ministry .

Support for marginalized and vulnerable people –

Caritas Social Action Network (CSAN) receives a grant from the Department of Christian Responsibility and Citizenship was used to support CSAN's co-ordination and advocacy activities in furtherance of this strategic aim. CSAN is the main vehicle through which this core support and advocacy work is undertaken on behalf of the Bishops Conference. During 2012 significant progress was made in developing both the advocacy work (illustrated by an excellent parliamentary annual meeting in autumn 2012 at the House of Commons), and also a strongly developing membership base and recourse. It is clear that the advocacy work of CSAN has been effective in Westminster and Whitehall in helping promote change for the benefit of the marginalised and vulnerable. Their work is organised on four priority themes: children and families; homeless people; older people; and vulnerable adults. Detailed information is on their website at www.csan.org.uk this work continues, as it is a vital dimension of the witness of the Church at national level. A particular success of their work in 2012 was to encourage the Bishops to commit their dioceses to supporting the Living Wage.

The impact of the continued support for CSAN from the department is:

- Robust support and sharing of expertise between CSAN member charities
- A strong, public and coherent Catholic voice on issues affecting the marginalised and vulnerable in England and Wales
- The promotion of social action and Catholic Social Teaching amongst the Catholic community and within the dioceses
- Increased influence with decision makers for CSAN and its member charities

During 2012 there was a re-organisation of the national support given to Catholic prison chaplains with the appointment of a National prisons adviser, Mgr Malachy Keegan, based within the department and liaising with the Prison Service. This post, situated outside the formal structure of the Prison Service, facilitated better pastoral support of Catholic prison chaplains. During 2012 the adviser was able to make a number of visits to prisons across England and Wales, and also to organise a gathering of catholic prison chaplains. The work done in this area has very useful connections with other areas of the department's work including safeguarding, marriage and family life, CSAN advocacy and also the mental health project, and plans were put in place during 2012 to develop further those links with more joint working in 2013.

Mental Health Project. During 2012 a major conference was held which brought together a network of those in the Catholic Church with a special interest and expertise in this area of ministry, to showcase existing projects and to share outcomes and good practice. This followed on from the funding in 2011 of a series of local projects aimed at developing community-based support in diverse ways for those with mental health needs have unfolded with the support of a small grants programme administered by the Bishops' Mental Health Project and funded from the Bishops Day for Life collection. During 2012 there was also a review of the continuation of the part time post of Mental Health worker, and

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Christian Responsibility and Citizenship (continued)

the Bishops decided to support the post from Day for Life for a further three years, recognising both the importance of the issue in society and the necessary time and commitment needed to foster and grow vitally needed supportive relationships across the country of those engaged in this work.

Life issues and the dignity of the person –

The Day for Life in 2012 focussed on the theme of honouring the body. The working group of Bishops from the three Bishops Conferences will be considering the theme for 2013 shortly. Suggestions of possible themes for consideration would be very welcome. The day for life fund continues to be used to give core funding support of £100k per year to the Anscombe Centre and to fund other pro-life initiatives supported by the Church. The work of the Healthcare Reference Group chaired by Bishop Tom Williams this year has focussed in 2012 on arranging seminars to bring together Catholics working in the health service and to look at the issue of inequalities in healthcare. One of these seminars has been rescheduled to 2013.

As in previous years the department has organised the Catholic Parliamentary and public affairs internship programme, placing 8 interns in the year 2012-13 – 5 in parliament and 3 in Church offices. The scheme has developed a strong reputation and each year attracts high calibre applications. During 2012 an independent review of the internship scheme was conducted by the Institute for Voluntary Action research (IVAR). This report gave an extremely positive assessment of the value of the scheme to the participants and the Church.

In addition department staff were involved during the year with advocacy work on behalf of the Bishops on various human rights issues. The most intensive activity concerned proposals announced by the government in the autumn of 2011 regarding the change in the definition of marriage to include same-sex relationships. This work has been enhanced by the pro-bono contribution of experts working with department staff on key issues, and the growing effectiveness of links with Westminster and Whitehall through the hiring of a barrister as legal and public policy officer in the summer of 2012. This post has significantly enhanced the advocacy capacity of the department. A theme which cuts across many of the department's priorities is the notion of Human Dignity. Together with Professor Chris McCrudden, at the request of Archbishops Nichols and Smith department staff worked to co-ordinate, fund and organize a major international conference, co-sponsored by Oxford and Queens University Belfast and the British Academy. The residential inter-disciplinary conference "Understanding Human Dignity" held in June 2012 brought together distinguished lawyers, philosophers, theologians together with senior serving judges to examine the role of the human dignity from various settings and perspectives. Archbishops Nichols and Smith attended, and saw the initiative as an example of the dialogue between the world of faith and secular reason called for by Pope Benedict on his 2010 visit to the UK. The proceeds of the Conference will be published by OUP in 2013. A new initiative launched in 2012 by Archbishop Vincent Nichols was the Blueprint for better business. The aim of this project is to bring the wisdom and insights of the tradition of Catholic social teaching into the mainstream debate taking place about the future of capitalism in the aftermath of the financial crisis. A group of senior business leaders, together with two expert religious sisters, are leading this project whose strap line is "uniting corporate purpose and personal values to serve society". A highly successful launch conference took place in September 2012 and funds were raised to enable the initiative to develop further in 2013. Information is on the website www.blueprintforbusiness.org

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Dialogue and Unity

The department is pleased to announce that Bishop Paul Hendricks has been appointed Chairman of the Committee for Christian Unity .

The department continued to develop ecumenical bi-lateral dialogues through various bodies:

- The Anglican – Roman Catholic Committee (ARC), and is co-Chaired by Archbishop Longley.
- The British Methodist –Roman Catholic Committee which was co-Chaired by Bishop Evans
- The United Reformed – Roman Catholic Committee which finished its five year term
- The Baptist Union of Great Britain and the Catholic –Oriental Forum

The Department is also seeking to initiate a bi-lateral dialogue with the Byzantine Orthodox and Black Pentecostal Churches.

The Department has continued to provide on-going formation for diocesan workers in ecumenism and relations with other religions. The Department has also continued to explore dialogue with non-believers.

Funds have been used to facilitate the objectives of ecumenism and dialogue. Work outcomes are measured primarily by the quality of relationships that lie at the heart of the Department's purpose and work on behalf of the bishops.

Consequently the outcomes can be described as:

- the development of relationships with other Christians and other religions;
- maintaining a consistent approach to Catholic truth and the truth held by the other religious traditions.

Work over the past year has benefited participants by strengthening relationships and deepening understanding on core issues.

Evangelisation and Catechesis

The Department has supported the Bishops in their preparation for, and activity during, the Pontifical Year of Faith, especially by providing guidance for the production of resources for the Home Mission initiatives with the Catholic Communications Network.

The Department continues to support an initiative to explore the production of an adult catechism to develop theological literacy among adult Catholics.

The Department has continued to develop relations with the Catholic Youth Ministry Federation (CYMFed) under its new director Fr Dermot Donnelly. The Department has continued to support CYMFed in its oversight of national and international youth ministry matters including Youth Sunday and the Flame Congresses. World Youth Day (2013) is now the responsibility of the National Office for Vocation.

The Department has liaised with Bible Society to produce resources for adult Catholics based on the Post-Synodal Apostolic Exhortation *Verbum Domini*. This is now nearing publication.

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International Affairs

Amongst other responsibilities, the Department for International Affairs works in the following areas: religious freedom, especially in the Middle East; migration (through the Office for Migration Policy), with a particular focus on countering human trafficking; environmental justice; and European affairs and Comece. To give just two examples of its current activities, the Department continues to support the Holy Land Coordination and in January held its annual meeting in Jordan and Bethlehem where the focus was on the plight of refugees in the region and the impact of the Syrian disaster. The Friends of the Holy Land organisation (FHL) continues to grow and thus to provide an increasingly important contribution to communities living in the West Bank, Gaza, Israel and Jordan. The FHL is now fully ecumenical and works closely with Catholic and Anglican parishes throughout England and Wales.

The Office for Migration Policy (OMP) has maintained its witness, both through the project on tackling human trafficking and in its broader work in advising on government policy and its implementation by the UKBA and Home Office, especially in regard to the points-based system and its impact on dioceses. Countering trafficking continues to be done in collaboration with the Metropolitan Police's specialist unit and with a wide range of Catholic organisations within the UK and internationally. The national Catholic Migration Forum is set to grow as a way of bringing together and supporting the many groups involved in this area.

Catholic Communications Network (CCN)

CCN provides a communications service for the Bishops, the Bishops' Conference departments and agencies. The team responds to enquiries from all media and supports Bishops in communicating their objectives, offering advice and implementing agreed strategies. CCN also houses the Home Mission Desk and the Catholic Faith Centre, for people enquiring about the Catholic Faith.

The CCN is funded by the World Communications Day, one of three mandatory national collections, with hopes for the continuing generosity of an independent donor who has made an annual contribution for the website and overall digital development. The Home Mission Desk is also funded by an annual mandatory national collection. The Catholic Faith Centre is funded by a large number of individual donors.

Archbishop of Cardiff George Stack continues to be bishop with special responsibilities for communications. Bishop Kieran Conry is chair of the Department of Evangelisation and Catechesis, which oversees the Home Mission Desk and the Catholic Faith Centre. While the CCN has a role within all Bishops' Conference departments, it also reports into this department.

In 2012, as in previous years, the CCN communicated the Bishops' position on a range of issues both ad intra and ad extra, advising on the most appropriate way of communicating to the identified target audience. The CCN continued to promote specific projects of the Bishops' Conference, including Day for Life and human trafficking. In 2012, the CCN also co-ordinated the media for a one-day conference on human trafficking in Rome with the Pontifical Council for Justice and Peace.

The CCN works closely with all departments in helping to devise the most appropriate communications strategy for their specific projects. It also provides a regular daily news service (national and religious press), support to diocesan communications, media training and media advice. During 2012, the CCN continued to train Bishops' in England & Wales and other selected spokespeople for media appearances. It also ran several media briefings for religious and mainstream correspondents and continued to run a support group for Catholics working in the mainstream media.

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Catholic Communications Network (CCN) (continued)

In 2012, the CCN continued to build on the good relations with broadcasters and publishers developed during the Papal Visit in 2010 by collaborating on a number of programmes and features. The Home Mission Desk also continued to build on the legacy of the Papal Visit: including the provision of a range of Diocesan resources; Little Way Week; Crossing the Threshold for lapsed Catholics.

A major success of the Home Mission Desk in 2012 was the production and distribution of over one million Faith Cards across the Dioceses of England and Wales. These gained considerable media coverage both nationally and internationally, leading to requests from Bishops' Conferences in other countries asking for the cards for distribution locally.

Safeguarding continued to play a major role in 2012, with high profile stories concerning Religious Orders demonstrating the need for a One Church approach, with Religious Orders integrated into the Diocesan structures. The director of CCN was asked by the Holy See to take responsibility for the media direction of the first international conference on Safeguarding that was run by the Holy See and the Jesuits in Rome in 2012.

The Bishops' Conference website was redeveloped, integrating the good practice from the Papal Visit website launched in 2010. This involved easier navigation, improved presentation of the Church's activities and greater interactivity. Plans are also progressing for detailed databases with a view eventually to move the Catholic Directory online. The next 12 months will see further improvements and increased use as Bishops' Conference communication continues its strategy of disintermediation.

Close collaboration will continue, under the guidance of the President, Archbishop Vincent Nichols, and general secretary, Mgr Marcus Stock, of the Bishops' Conference, with all departments to help ensure appropriate coverage of the Bishops' activities and the promotion of the Gospel in wider society.

Catholic Safeguarding Advisory Service (CSAS)

One vital aspect of CSAS work as set out in "Safeguarding with Confidence" Report of the Cumberlege Commission is to ensure the Church's policies on safeguarding are kept up to date with the best secular practice whilst being accessible to all within the Church. To comply with this CSAS initiated a cycle of reviews for all policy areas.

In 2012 we completed a review and re-write of the National Policy for Creating a Safe Environment. This has now been incorporated within the national safeguarding procedures e-manual. Due to considerable change to safer recruitment practise introduced by the passing of the Protection of Freedoms Act 2012, CSAS also undertook a major overhaul of national policy in this area. This has now been implemented across the Church and incorporated within the e-manual.

Following extensive consultation, a new arrangement has been agreed for supporting safeguarding in the Religious. This involves approximately 300 orders aligning with a Safeguarding Commission based in one of the 22 dioceses. A further 10 orders have their own commission or share a safeguarding commission with other orders. The model for this as well as the funding formula to support it was approved by CBCEW, CoR and NCSC. It is to be introduced in January 2013 and fully implemented by April 2013.

We have continued in the development of "Towards Healing", a process aimed at introducing a more just and sensitive response to victims and survivors of abuse in a Church setting. Progress has been difficult over the past 12 months due to two on-going high profile court cases.

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Catholic Safeguarding Advisory Service (CSAS) (continued)

We have organised a series of events in each of our 5 Provinces entitled, "Safeguarding as Ministry." These have been 2 day residential seminars for priest intended to 'recruit' 20-25 priests in each Province as 'champions' of safeguarding.

Auditing safeguarding within the Dioceses has continued throughout 2012 as has management and servicing of the National Preliminary Enquiry and Review Protocols.

Grant-Making Policy

A significant part of the support offered by the Bishops' Conference to national initiatives is through the grants that are made by the Trust. The Trustees have therefore agreed a grant making policy to be applied by the Grants Committee.

Many of the bodies receiving grants from CaTEW have been established or promoted by the Bishops' Conference and are Charitable Trusts. The subscriptions to the Ecumenical Instruments are transferred to Churches Together in Britain and Ireland, a charitable Trust established as part of the ecumenical relations between the Churches in these countries.

Achievements and performance

Faith in the Future

Faith in the Future, the Trust's fundraising initiative, has continued its work throughout the year.

Faith in the Future was previously led by an Assistant General Secretary, with one development officer, a part time consultant, and a trustee of CaTEW has particular responsibility for fundraising. At the end of 2012 £4.7 million had been raised in gifts to support the work of *Faith in the Future* with pledges of £513,000 to be received in future years.

Mr Matt Feeley was appointed Head of Fundraising in January 2013 and has now taken on responsibility for and oversight of the fundraising function and activities.

Papal Visit

The Papal State Visit of Pope Benedict XVI to the United Kingdom in September 2010 brought many blessings to this country. It was a historic visit, the first ever official State Visit by a Pope to the UK. The Papal visit gave an unprecedented opportunity to strengthen ties between the UK and the Holy See on action to tackle poverty and climate change as well as the important role of faith in creating strong and cohesive communities

Income reported in 2012 relates to donations received late in respect of the Papal Visit, and royalty income. Expenditure incurred represents wrap-up costs associated with the event.

It is anticipated that with no further trading the Papal Visit companies will be wound up during 2013.

Income and Expenditure

In 2012 the income of the Trust from all sources was £4,163,069. The main sources are assessments on the Dioceses of England and Wales mandated by the Bishops, and parish collections agreed by the Bishops for the purposes of the Bishops' Conference and associated agencies and offices. Authorised parish collections received by CaTEW are taken on Home Mission Sunday (to support Evangelisation work), World Communications Day (to support CCN) and the Day for Life (to support the Anscombe Bioethics Centre and the pro-life activities of the Conference).

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Achievements and performance (continued)

Other income is derived from investments, grants and property. During 2012 the Trust continued to develop the *Faith in the Future* fundraising capacity which during this year raised £677,883.

Total expenditure for the year was £3,824,748. The expenditure of the Trust is analysed in detail in the accounts attached to this report.

CaTEW employs staff to carry out the work of the Departments, which also rely heavily on the participation of volunteers who serve as committee members and advisers.

Financial review

The results for the year are shown on page 18. A detailed analysis of the results is provided on pages 22 to 39. The net movement in funds for the year was a surplus of £604,232 (2011 - £1,024,247).

The balance sheet shows total reserves of £12,673,734. Restricted funds of £1,604,554 represent unexpended balances held on trust to be applied for specific purposes. A further £9,693,374 has been set aside as designated funds as it is either tied up in fixed assets or designated for a specific future use and so not freely available. Designated funds include £4,398,650 which represents the net book value of the charity's tangible fixed assets, £1,991,282 which represents the value of the investment properties, £1,359,664 which represents the value of the programme related investments, £60,000 which represents funds set aside for national formation work, £360,000 which represents funds set aside for national safeguarding work, £422,000 which represents funds set aside to ensure the continued work of the media office, £572,374 which represents funds held for Catholic Student Chaplaincy grant making activities, and £529,404 which represents funds held for use at the discretion of the General Secretary for project work. The remaining funds amounting to £1,375,806 are the general funds or 'free' reserves as defined by the Charity Commission and are discussed in the following paragraphs.

Reserves policy

CaTEW's operational policy is to try to ensure that it has adequate free reserves to meet its continuing charitable obligations and day-to-day working capital requirements.

CaTEW is reliant upon Diocesan assessments for a significant proportion of its income, which are agreed annually by the Bishops' Conference.

Currently, CaTEW aims to have the equivalent of up to one year's unrestricted expenditure approximately £1,400,000 in free reserves as defined by the Charity Commission. This level will be kept under review to ensure that there are sufficient reserves to meet new initiatives from the Bishops.

The value of CaTEW's free reserves at 31 December 2012, following principles established by the Charity Commission, was £1,375,806 or eleven months of expenditure. The trustees are of the opinion that these reserve levels are adequate.

Investment policy

The trustees have adopted a general statement of an ethical investment policy:

The Catholic Church's understanding of Ethical Investment is drawn from a series of "social encyclicals" which followed from Pope Leo XIII's own encyclical letter *Rerum Novarum* of 1891. That document set out to restore in contemporary industrial society the priority of the human over the economic, and the spiritual and moral over the material.

Trustees' report 31 December 2012

Financial review (continued)

In the management of investments both Charity Law and Church teaching apply.

Under Charity Law, the trustees must seek to obtain the best financial return possible consistent with commercial prudence. Following the Church's teaching, the trustees also seek to maintain an ethical investment policy through a process of making value judgements about the products, services and corporate practices as well as their financial efficacy. Their judgements and decisions to invest or disinvest, and of seeking to change through shareholder action, reflect particularly that teaching which promotes the dignity and sanctity of human life and the importance of society in general.

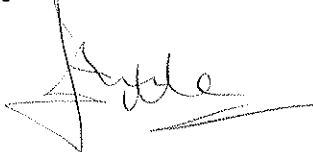
This has been communicated to the investment managers of the Trust and, through regular meetings with them and periodic assessment by the Finance Investment Sub-Committee, its implementation is kept under review.

The trustees appreciate the importance of choosing a suitable long-term investment strategy and benchmark. The trustees' current investment strategy emphasises income generation as opposed to capital growth, with the aim being to produce an income yield of 3.5%. Accordingly, the investment managers are instructed to report against appropriate benchmarks. The portfolio achieved an average income yield of 3.5% in 2012.

Plans for the future

During 2013, it is planned that the strategic review will continue with a re-profiling of the priority work areas of the Bishops in order to refocus the work of the Trust towards these areas.

Signed on behalf of the trustees



Mgr John Nelson

Trustee

Approved by the board on: 04 July 2013.

Independent auditors' report 31 December 2012

Independent auditors' report to the members of Catholic Trust for England and Wales

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

This report is made solely to the 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 and trustees those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and 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 Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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.

Opinion on the 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 31 December 2012 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- ◆ 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 matters prescribed by the Companies Act 2006

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

Independent auditors' report 31 December 2012

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

K.S. Smith LLP
.....

Neil Finlayson

Senior Statutory Auditor

Date *4/8/2013*

For and on behalf of Kingston Smith LLP, Statutory Auditors

Devonshire House
60 Goswell Road
London
EC1M 7AD

**Consolidated Statement of Financial Activities
(including Income and Expenditure Account)**

31 December 2012

	Notes	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Income and expenditure					
Incoming resources					
Incoming resources from generated funds					
. Voluntary income					
.. Diocesan assessments	1	1,667,847	34,050	1,701,897	1,951,897
.. Other voluntary income	2	5,066	1,652,935	1,658,001	2,458,708
.. Other voluntary income – Papal Visit	3	—	—	—	83,971
. Activities for generating funds	4	244,115	—	244,115	119,138
. Investment income	5	343,522	—	343,522	317,079
Incoming resources from charitable activities	6	31,263	71,247	102,510	64,024
Other incoming resources		34,929	78,087	113,016	189,349
Total incoming resources		2,326,742	1,836,319	4,163,061	5,184,166
Resources expended					
Costs of generating funds	7	26,629	164,485	191,114	262,703
Charitable activities					
. Bishops' Meetings, General Activities and Grant Making	9	597,309	—	597,309	529,707
. Catholic Education and Formation	10	42,580	60,671	103,251	96,254
. Christian Life and Worship	11	87,850	—	87,850	106,545
. Christian Responsibility and Citizenship	12	248,576	454,771	703,347	564,050
. Dialogue and Unity	13	58,210	99,000	157,210	183,918
. Evangelisation and Catechesis	14	16,022	—	16,022	18,604
. International Affairs	15	227,442	—	227,442	234,157
. Catholic Communications Network (CCN)	16	19,073	531,214	550,287	589,102
. Catholic Safeguarding Advisory Service (CSAS)	17	58,706	363,508	422,214	380,107
. Papal Visit	18	—	1,035	1,035	30,507
. Other Projects	19	80,592	667,211	747,803	1,019,679
Governance costs	20	18,206	1,658	19,864	17,705
Total resources expended		1,481,195	2,343,553	3,824,748	4,033,038
Net incoming resources before transfers and investment asset disposals		845,547	(507,234)	338,313	1,151,128
Transfers between funds	28	145,492	(145,492)	—	—
Net (outgoing) incoming resources before investment asset disposals		991,039	(652,726)	338,313	1,151,128
Realised gains (losses) on disposal of investments		12,735	—	12,735	34,293
Net incoming (outgoing) resources before unrealised gains (losses) on investments		1,003,774	(652,726)	351,048	1,185,421
Unrealised gains (losses) gains on investments		253,176	—	253,176	(161,174)
Net movement in funds		1,256,950	(652,726)	604,224	1,024,247
Fund balances brought forward at at 1 January 2012		9,812,230	2,257,280	12,069,510	11,045,263
Fund balances carried forward at 31 December 2012		11,069,180	1,604,554	12,673,734	12,069,510


All of the charity's activities were derived from continuing operations during the above two financial periods.

The statement of Financial Activities includes all gains and losses recognised in the current and preceding year.

Balance sheets 31 December 2012

	Notes	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Fixed assets					
Tangible assets	23	4,398,650	4,449,148	4,398,650	4,449,148
Investments					
. Listed investments, investment in subsidiary companies and investment property	24	5,473,605	5,252,526	5,498,605	5,277,526
. Programme related investments	25	1,359,664	1,369,628	1,359,664	1,369,628
		<u>11,231,919</u>	<u>11,071,302</u>	<u>11,256,919</u>	<u>11,096,302</u>
Current assets					
Debtors	26	285,762	304,637	486,248	298,949
Cash at bank and on deposit		1,628,536	3,522,275	1,379,532	3,470,881
		<u>1,914,298</u>	<u>3,826,912</u>	<u>1,865,780</u>	<u>3,769,830</u>
Creditors: amounts falling due within one year	27	(472,483)	(2,828,704)	(602,443)	(2,952,742)
Net current assets		<u>1,441,815</u>	<u>998,208</u>	<u>1,263,337</u>	<u>817,088</u>
Total assets less current liabilities		<u>12,673,734</u>	<u>12,069,510</u>	<u>12,520,256</u>	<u>11,913,390</u>
Total net assets		<u>12,673,734</u>	<u>12,069,510</u>	<u>12,520,256</u>	<u>11,913,390</u>
Represented by:					
Funds and reserves					
Restricted funds	28	1,604,554	2,257,280	1,464,010	2,114,098
Unrestricted funds					
. Designated funds	29	9,693,374	8,467,051	9,693,374	8,467,051
. General fund		1,337,874	1,307,247	1,362,872	1,332,241
. Non charitable trading funds		37,932	37,932	—	—
		<u>12,673,734</u>	<u>12,069,510</u>	<u>12,520,256</u>	<u>11,913,390</u>

Approved by the trustees and authorised for issue on 4 July 2013


Mgr John Nelson

Trustee

Approved on: 4 July 2013

Company registration number: 4734592

Principal Accounting Policies 31 December 2012

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of certain tangible fixed assets at a valuation and the inclusion of investment assets at market value, and in accordance with applicable Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 and the Statement of Recommended Practice on "Accounting and Reporting by Charities" (SORP 2005).

Basis of consolidation

The consolidated financial statements represent the transactions and financial position of the charity and its wholly owned subsidiaries. The charity has taken advantage of the exemption afforded in S230 of the Companies Act 2006 and has not presented its own statement of financial activities.

The results of the wholly owned subsidiary company Colloquium (CaTEW) Limited, Papal Visit Limited and Papal Visit 2010 Limited have been included on a line by line basis within the group financial statements of the charity excluding inter group transactions.

No separate statement of financial activities has been presented for the charity alone, as permitted by s408 of the Companies Act 2006 and paragraph 397 of SORP 2005. The Catholic Trust for England and Wales had total incoming resources of £3,918,898 (2011 – £4,949,958) and net incoming resources of £363,763 (2011 – £779,527).

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Where income is received specifically for application in a future accounting period it is carried forward as deferred income in the balance sheet and recognised as income in that future accounting period.

Incoming resources are not recognised as income where the charity acts solely as a collection agent and has no control over the application of those funds.

Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of irrecoverable VAT, and comprise the following:

- ◆ The costs of generating funds include fees paid to investment managers in connection with the management of the charity's listed investments, and staff costs and other direct costs associated with fundraising and the generation of voluntary income.
- ◆ Charitable activities comprise expenditure on the charity's primary charitable purposes as analysed on the face of the statement of financial activities. This includes grants payable in support of other charitable organisations, which are included in the statement of financial activities when approved for payment. Provision is made for grants approved but unpaid at the year end.
- ◆ Governance costs comprise the costs directly attributable to the organisational procedures and necessary legal procedures for compliance with statutory requirements.
- ◆ Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. The costs are allocated to each charitable activity heading on the basis described in note 8.

Principal Accounting Policies 31 December 2012

Tangible fixed assets

All assets costing more than £500 and with an expected useful life of more than one year are capitalised.

Depreciation is provided at the following rates per annum in order to write the assets off over their estimated useful lives:

- | | |
|---------------------------|---------------------|
| ◆ Freehold buildings | 1% reducing balance |
| ◆ Furniture and equipment | 25% on cost |

A full years' depreciation is charged in the year of acquisition and none in the year of disposal. Where assets have been transferred from predecessor charities they have been initially recognised at the agreed value on transfer. In most cases this was the book value at the time of transfer. These assets are depreciated in equal instalments over the remainder of their useful life, measured from the time of their original acquisition. The Trustees review the valuation of the building annually for impairment in its value.

Listed investments, investment in subsidiary companies and investment property

Fixed asset investments including investment property and excluding the investment in the trading subsidiary, are included in the financial statements at their market value as at the balance sheet date. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise. The investment in the subsidiary companies is included in the financial statements at cost.

Programme related investments

These are shown in the balance sheet at cost. Any gain or loss arising from disposal or impairment is credited or charged to the statement of financial activities.

Funds structure

The charity holds restricted funds, representing monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The remainder, and greater part, of the charity's funds are unrestricted, and can be used at the discretion of the trustees in furtherance of the charity's objectives. These funds are divided between funds designated by the trustees for specific purposes and funds available for general use.

Further details of the charity's funds are given in the notes to the financial statements.

Pension costs

Contributions in respect of defined contribution schemes are recognised in the statement of financial activities in the year in which they are payable to the scheme.

Leasing

Rental payable under operating leases are charges against income on a straight line basis over the lease term.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to statement of financial activities.

Notes to the financial statements 31 December 2012

1 Diocesan assessments

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Arundel and Brighton	87,492	1,791	89,283	102,433
Birmingham	135,064	2,765	137,829	158,129
Brentwood	87,159	1,784	88,943	102,044
Cardiff	34,265	701	34,966	40,116
Clifton	55,889	1,144	57,033	65,433
East Anglia	30,439	623	31,062	35,637
Hallam	21,291	436	21,727	24,927
Hexham and Newcastle	103,960	2,128	106,088	121,712
Lancaster	42,083	861	42,944	49,269
Leeds	78,178	1,600	79,778	91,528
Liverpool	119,428	2,445	121,873	139,823
Menevia	333	7	340	389
Middlesbrough	29,940	613	30,553	35,053
Northampton	52,729	1,079	53,808	61,732
Nottingham	66,701	1,365	68,066	78,091
Plymouth	36,427	746	37,173	42,648
Portsmouth	82,834	1,696	84,530	96,980
Salford	116,933	2,394	119,327	136,902
Shrewsbury	81,837	1,675	83,512	95,812
Southwark	145,044	2,969	148,013	169,813
Westminster	251,994	5,160	257,154	295,031
Wrexham	3,327	68	3,395	3,895
	1,663,347	34,050	1,697,397	1,947,397
Contribution from Bishopric of the Forces	4,500	—	4,500	4,500
	1,667,847	34,050	1,701,897	1,951,897

Diocesan assessments are contributions from dioceses to support the work of the Bishop's Conference.

Notes to the financial statements 31 December 2012

2 Other voluntary income

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Legacies	—	—	—	8,825
Grants	—	212,875	212,875	203,109
General donations	5,066	—	5,066	718,273
Donations towards the costs of				
. Ordinarate of Our Lady of Walsingham	—	—	—	99,772
. Communications	—	880	880	636
. Evangelisation	—	27,091	27,091	22,644
. Parliamentary Internship Programme	—	197	197	226
. Papal Visit	—	224	224	—
. Vocations	—	7,123	7,123	4,750
. Prison Chaplaincy Project	—	28,125	28,125	24,375
. Mental Health worker	—	2,570	2,570	—
. Holy Land & Middle East	—	2,713	2,713	1,397
. Olympic Chaplaincy fund	—	7,152	7,152	—
. Anglofone Conference	—	—	—	8,029
Donations received from <i>Faith in the Future</i> fundraising initiative	—	677,883	677,883	789,099
World Communications Day	—	253,781	253,781	175,349
Day for Life	—	285,516	285,516	303,431
Home Mission Sunday	—	146,805	146,805	98,793
Total	5,066	1,652,935	1,658,001	2,458,708

The charity is the beneficiary of a legacy of which the estimated value of the legacy is not known. Therefore, it has not been included in the financial statements as it cannot accurately be quantified.

3 Other voluntary income – Papal Visit

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Donations towards the costs of				
. Papal Visit	—	—	—	1,050
Donations from Papal Visit major donors and the national collection	—	—	—	82,921
Total	—	—	—	83,971

4 Activities for generating funds

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Trading income of subsidiaries	244,115	—	244,115	119,138

Notes to the financial statements 31 December 2012

5 Investment income

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Income from listed investments				
. Fixed interest	32,023	—	32,023	27,365
. UK equities	70,748	—	70,748	62,204
. Overseas equities	12,136	—	12,136	7,567
. Property funds	2,629	—	2,629	4,278
. Other listed investments	4,555	—	4,555	6,549
	<u>122,091</u>	<u>—</u>	<u>122,091</u>	<u>107,963</u>
Income from investment property				
. Rental income	113,167	—	113,167	109,700
Other rent receivable	104,483	—	104,483	96,501
Interest receivable				
. Bank interest	3,781	—	3,781	2,915
Total	<u>343,522</u>	<u>—</u>	<u>343,522</u>	<u>317,079</u>

6 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Conference income	31,263	71,247	102,510	64,024

Notes to the financial statements 31 December 2012

7 Costs of generating funds

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Faith in the Future fundraising costs				
. Staff costs	—	43,529	43,529	49,720
. Other operating costs	—	89,893	89,893	133,639
. Allocated costs (Note 8)	—	31,063	31,063	30,431
	—	164,485	164,485	213,790
Investment management costs	25,621	—	25,621	23,168
Costs of trading subsidiary				
. Colloquium	1,008	—	1,008	2,309
. Papal Visit 2010 Limited	—	—	—	23,436
Total	26,629	164,485	191,114	262,703

8 Support costs and allocation

Support costs and the basis of their allocation were as follows:

	2012 Costs £	Basis of apportionment
Staff costs	277,810	Pro rata basis
Premises costs – Eccleston Square	146,616	Head count
Other costs	152,116	Pro rata basis
	576,542	

No support costs have been allocated to governance costs as the amounts involved would be immaterial.

The above costs have been allocated to each charitable activity as follows:

	£
Costs of Generating funds (note 7)	31,063
Bishops' Meetings, General Activities and Grant Making (note 9)	66,934
Catholic Education and Formation (note 10)	25,015
Christian Life and Worship (note 11)	19,437
Christian Responsibility and Citizenship (note 12)	75,766
Dialogue and Unity (note 13)	12,546
Evangelisation and Catechesis (note 14)	164
International Affairs (note 15)	48,944
Catholic Communications Network (note 16)	127,365
Catholic Safeguarding Advisory Service (CSAS) (note 17)	58,706
Other Projects (note 19)	110,602
	576,542

Notes to the financial statements 31 December 2012

9 Bishops' Meetings, General Activities and Grant Making

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Accommodation and other costs	257,898	—	257,898	298,130
Allocated support costs (note 8)	66,934	—	66,934	82,134
Foreign exchange gains/(losses)	915	—	915	1,118
Grant making:				
Catholic Voices	60,000	—	60,000	—
International Eucharistic Congress	8,103	—	8,103	—
Diocese of Menevia	3,500	—	3,500	—
MACSAS	2,000	—	2,000	2,000
Caritas Social-Action Network	119,440	—	119,440	56,000
National Board of Catholic Women	9,800	—	9,800	9,800
NBCW (Development Officer)	13,000	—	13,000	13,000
National Conference of Priests	1,732	—	1,732	877
National Council of Lay Associations	7,000	—	7,000	7,600
Churches Committee Hospital Chaplaincy	—	—	—	4,000
SIGNIS (OCIC)	—	—	—	1,766
DCO's Forum	900	—	900	900
Churches Media Council	—	—	—	6,300
Diocesan Newspaper Editors' Forum	—	—	—	250
Lisbonian Society	4,750	—	4,750	5,000
Subscriptions				
Churches Legislation Advisory Service	18,000	—	18,000	18,000
Council of European Bishops' Conferences (CCEE)	9,529	—	9,529	8,453
Commission of the Bishops' Conference of the European Community (COMECE)	13,808	—	13,808	14,379
Total	597,309	—	597,309	529,707

10 Catholic Education and Formation

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Staff costs	—	35,669	35,669	35,899
Other operating costs	17,565	25,002	42,567	35,262
Allocated support costs (note 8)	25,015	—	25,015	25,093
Total	42,580	60,671	103,251	96,254

11 Christian Life and Worship

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Staff costs	39,759	—	39,759	52,135
Other operating costs	28,654	—	28,654	27,849
Allocated support costs (note 8)	19,437	—	19,437	26,561
Total	87,850	—	87,850	106,545

Notes to the financial statements 31 December 2012

12 Christian Responsibility and Citizenship

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Staff costs	162,070	—	162,070	181,743
Other operating costs	30,071	100,932	131,003	105,803
Allocated support costs (note 8)	56,435	19,331	75,766	82,564
Grant making:				
Day for Life grants	—	194,950	194,950	88,000
Linacre Centre *	—	100,000	100,000	50,000
Joint Bio-ethics	—	3,870	3,870	3,870
Parliamentary Internship grants	—	35,688	35,688	52,070
Total	248,576	454,771	703,347	564,050

* CaTEW assumed the sole trusteeship of the Linacre Centre on 27 February 2006

13 Dialogue and Unity

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Staff costs	22,101	—	22,101	30,762
Other operating costs	23,563	—	23,563	22,049
Allocated support costs (note 8)	12,546	—	12,546	28,107
Subscriptions and ecumenical instruments	—	99,000	99,000	103,000
Total	58,210	99,000	157,210	183,918

14 Evangelisation and Catechesis

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Staff costs	—	—	—	1,726
Other operating costs	858	—	858	513
Grants: CYMFED	15,000	—	15,000	15,000
Allocated support costs (note 8)	164	—	164	1,365
Total	16,022	—	16,022	18,604

Notes to the financial statements 31 December 2012

15	International Affairs	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
	Staff costs	126,903	—	126,903	126,049
	Other operating costs	51,595	—	51,595	50,860
	Allocated support costs (note 8)	48,944	—	48,944	57,248
	Total	227,442	—	227,442	234,157

16	Catholic Communications Network (CCN)	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
	Staff costs	—	320,087	320,087	324,450
	Other operating costs	—	102,835	102,835	134,204
	Allocated support costs (note 8)	19,073	108,292	127,365	130,448
	Total	19,073	531,214	550,287	589,102

17	Catholic Safeguarding Advisory Service (CSAS)	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
	Staff costs	—	246,345	246,345	230,704
	Other operating costs	—	117,163	117,163	84,391
	Allocated support costs (note 8)	58,706	—	58,706	65,012
	Total	58,706	363,508	422,214	380,107

18	Papal Visit	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
	Staff costs	—	—	—	7,213
	Other operating costs	—	1,035	1,035	23,294
	Total	—	1,035	1,035	30,507

Notes to the financial statements 31 December 2012

19 Other Projects

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Staff costs	—	125,956	125,956	112,227
Other operating costs	—	295,291	295,291	207,704
Ordinarariate of Our Lady of Walsingham				349,772
Lisbon Trust	—	5,670	5,670	7,730
Relics of St Therese	—			—
Safeguarding Implementation Group	—	31,524	31,524	37,016
Catholic Students International				
Chaplaincy Fund	—	20,000	20,000	20,000
Allocated support costs (note 8)	80,592	30,010	110,602	116,449
Grant making:				
Celebrating Family Fund Grants	—	28,487	28,487	130,781
Living and Dying well grant	—			13,000
Priest's Training grant	—	130,273	130,273	25,000
Total	80,592	667,211	747,803	1,019,679

20 Governance costs

	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
Auditors remuneration				
. Audit fees	15,190	—	15,190	15,530
Trustees' expenses	3,016	—	3,016	2,175
Other governance costs	—	1,658	1,658	—
	18,206	1,658	19,864	17,705

21 Staff costs and trustees' remuneration

	2012 £	2011 £
Staff costs during the year were as follows:		
Wages and salaries	1,223,375	1,261,187
Social security costs	128,601	132,981
Other pension costs	61,528	66,356
Total staff costs	1,413,504	1,460,524

Notes to the financial statements 31 December 2012

21 Staff costs and trustees' remuneration (continued)

Staff numbers per function, calculated on both an average basis and on a full time equivalent (FTE) basis, were as follows:

	2012 Average	2011 Average	2012 FTE	2011 FTE
General Secretariat	24	23	20	21
Catholic Communications Network	8	7	7	7
CSAS	6	5	6	5
National Office for Vocation	2	2	1	2
	40	37	34	35

The number of employees earning £60,000 per annum or more (including benefits) during the year was:

	2012	2011
£60,001 – £70,000	2	1
£70,001 - £80,000	1	1
	3	2

Total employer contributions to money purchase schemes in respect of employees who earned £60,000 or more during the year amounted to £26,490 (2011 - £22,392).

None of the trustees received any remuneration for their services in the year (2011 – none). Travel expenses of £3,016 (2011 - £2,175) were reimbursed to five (2011 – four) trustees during the year.

Trustees' indemnity insurance was purchased during the year. The premium is shared with other organisations and the amount attributable to the charity is not separately identified.

22 Taxation

The Catholic Trust for England and Wales is a registered charity and therefore is not liable to corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Notes to the financial statements 31 December 2012

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Tangible fixed assets

Group and charity	Freehold properties £	Furniture, fittings and computer equipment £	Total £
Cost or valuation			
As at 1 January 2012	4,577,353	330,790	4,908,143
Additions	7,767	44,558	52,325
Disposals	-	-	
As at 31 December 2012	4,585,120	375,348	4,960,468
Depreciation			
As at 1 January 2012	231,272	227,723	458,995
Charge for the year	41,942	60,881	102,823
Disposals	-	-	
As at 31 December 2012	273,214	288,604	561,818
Net book values			
At 31 December 2012	4,311,906	86,744	4,398,650
At 31 December 2011	4,346,081	103,067	4,449,148

As permitted under FRS 15, the charity has continued to adopt a policy of not revaluing its tangible fixed assets. The book value of freehold properties is based upon book value at the time of transfer from predecessor charities in 2003.

It is likely that there are material differences between the open market values of the charity's freehold properties and their book values. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the trustees, is not justified in terms of the benefits to the users of the accounts.

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Investments

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Investment properties (UK) (note a)	1,991,282	1,991,282	1,991,282	1,991,282
Listed investments (note b)	3,482,323	3,261,244	3,482,323	3,261,244
Investment in subsidiary companies (UK) (note c)	—	—	25,000	25,000
	5,473,605	5,252,526	5,498,605	5,277,526

Notes to the financial statements 31 December 2012

(a) Investment properties

Group and charity	Freehold land and buildings £
Valuation	
At 1 January 2012 and 31 December 2012	<u>1,991,282</u>

(b) Listed investments and cash held for re-investment

Group and charity	2012 £	2011 £
Listed investments		
Market value at 1 January 2012	3,072,352	3,320,127
Additions at cost	597,776	697,297
Disposal proceeds	(553,006)	(818,191)
Net investment (losses)/gains	<u>265,911</u>	<u>(126,881)</u>
Market value at 31 December 2012	3,383,033	3,072,352
Cash held by investment managers for re-investment		
	<u>99,290</u>	<u>188,892</u>
	<u>3,482,323</u>	<u>3,261,244</u>
Cost of listed investments at 31 December 2012	<u>2,856,028</u>	<u>2,774,251</u>

All listed investments were dealt on recognised stock exchanges.

Listed investments held at 31 December 2012 comprised the following:

Group and charity	2012 £	2011 £
UK fixed interest	688,840	771,475
Overseas holdings	916,334	667,090
UK equities	1,638,401	1,451,739
Property funds	47,403	83,874
Other listed investments	<u>92,055</u>	<u>98,173</u>
	<u>3,383,033</u>	<u>3,072,351</u>

At 31 December 2012 the following individual investment holdings were considered material in the context of the entire listed portfolio as at that date:

Holding	Market value of holding £	% of total portfolio %
Invesco Perpetual Income and Growth	199,542	5.90

Notes to the financial statements 31 December 2012

(c) Investment in subsidiary companies

The charity holds 100% of the issued share capital of Colloquium (CaTEW) Limited. This holding was acquired on incorporation of the company on 15 April 2003. Colloquium (CaTEW) Limited is a publishing company registered in England and Wales.

The following is a summary of the financial statements of Colloquium (CaTEW) Limited for the year ended 31 December 2012, which have been included in the consolidated financial statements.

	2012 £	2011 £
Turnover	244,115	103,847
Cost of sales	-	(2,270)
Gross profit	244,115	101,577
Interest receivable		
Administrative expenditure	(1,008)	(39)
Gift aid	(243,107)	(101,538)
Net profit for the year	-	-
Retained profit at 1 January 2012	12,932	12,932
Retained profit at 31 December 2012	12,932	12,932
Called up share capital	25,000	25,000
At 31 December 2012	37,932	37,932

The charity is the sole member of Papal Visit Limited, a company limited by guarantee and registered charity incorporated in England and Wales. The company was incorporated on 18 May 2010.

The following is a summary of the consolidated financial statements of Papal Visit Limited (including the company's 100% owned trading subsidiary, Papal Visit 2010 Limited, a company registered in England and Wales) for the year ended 31 December 2012, which have been included in the consolidated financial statements.

	2012 £	2011 £
Incoming resources		
Donations	55	54,774
Activities for Generating Funds	-	15,291
Incoming Resources from charitable activities	-	10,966
Other incoming resources	-	86,767
Total Incoming Resources	55	167,798
Resources expended		
Cost of generating voluntary income	-	22,369
Charitable activities	1,035	2,247
Governance costs	1,658	-
Total resources expended	2,693	24,616
Net movement in funds	2,638	-
Funds at 31 December 2012	140,544	143,182

Notes to the financial statements 31 December 2012

25 Programme related investments

Group and charity	2012 £	2011 £
St Luke's Centre	1,000,000	1,000,000
Venerable English College, Rome	359,664	369,628
	1,359,664	1,369,628

St Luke's Centre

The St Luke's Centre was purchased by CaTEW in 2006 to provide a Wellness Centre for Priests operated by the St Luke's Institute of Maryland, USA.

It is a project to minister to our priests and religious women and men who so generously give of themselves to serve others.

After an initial two year rent free period, this asset had started to generate rental income from August 2008. This is not at a commercial level.

Venerable English College (VEC), Rome

This investment relates to funds advanced from a constituent charity, the Lisbon Trust Fund, in 1987 and 1993 totalling £428,700, to give financial support to the college.

The college is a seminary for the training of priests for the dioceses of England and Wales.

The VEC agreed to begin repayment of these monies at the rate of £10,000 per annum, commencing 1 January 2006. The rate of repayment will be reviewed after 10 years and the loan is interest free.

26 Debtors

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Prepayments and accrued income	230,891	122,462	183,151	104,162
Other debtors	54,871	182,175	54,871	91,871
Amount due from subsidiary undertaking	—	—	248,226	102,916
	285,762	304,637	486,248	298,949

Notes to the financial statements 31 December 2012

27 Creditors: amounts falling due within one year

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Expense creditors	15,512	30,499	15,512	30,499
Social security and other taxes	33,474	35,643	33,474	35,643
Accruals and deferred income	204,471	384,647	201,971	376,647
Other creditors	219,026	377,915	216,742	202,358
Loan from Society of Jesus	—	2,000,000	—	—
Amounts due to subsidiary undertakings	—	—	134,744	2,307,595
	472,483	2,828,704	602,443	2,952,742

28 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances held on trust to be applied for specific purposes.

Group and charity	At 1 January 2012 £	Incoming resources £	Resources expended £	Transfers between funds £	At 31 December 2012 £
Catholic Youth Reserve	5,736	—	—	—	5,736
Diocesan Reserve	100,173	—	—	—	100,173
Day for Life	398,491	288,086	348,758	—	337,819
Olympic Chaplaincy Fund	7,435	19,152	61,380	34,793	—
Priests' Training Fund	76,496	200,000	130,273	—	146,223
Prison Chaplaincy Project	11,684	33,655	26,443	—	18,896
Religious restructuring project	7,544	—	5,174	—	2,370
Catholic Students International Chaplaincy Fund	592,374	—	20,000	(572,374)	—
Catholic Communications Network (CCN)	32,371	274,946	531,214	223,897	—
Safeguarding Reserve	—	81,797	363,508	281,711	—
Relics of St Therese	446	—	—	—	446
Safeguarding Implementation Group	—	34,050	31,524	11,061	13,587
Lisbon Fund	455,941	—	6,652	—	449,289
Faith in the Future *	406,803	664,414	523,794	(176,247)	371,176
CASE	—	173,896	—	(173,896)	—
National Office for Vocations	—	25,218	60,671	35,453	—
Internships	—	30,197	106,013	76,794	978
Safeguarding as Ministry	—	8,140	6,697	—	1,443
Ecumenical Instruments	—	—	99,000	99,000	—
Other funds	18,604	2,713	19,759	14,316	15,874
Charity restricted funds	2,114,098	1,836,264	2,340,860	(145,492)	1,464,010
Papal Visit	143,182	55	2,693	—	140,544
Group Restricted funds	2,257,280	1,836,319	2,343,553	(145,492)	1,604,554

Notes to the financial statements 31 December 2012

28 Restricted funds (continued)

The transfers from general funds to the restricted funds during the year represent additional funds required to assist in the support of various projects. Fund transfers within CASE and Faith in the future represent the allocation of monies to other project work.

The purposes of the main funds (where not apparent from their title) are:

Catholic Youth Reserve

A reserve held previously by the National Catholic Fund for expenditure associated with young people.

Diocesan reserve

A fund to assist dioceses which are in financial need. Small grants have previously been made from this fund to subsidise home to school transport in remote areas of England and Wales.

Day for Life

An annual Day for Life is celebrated in England and Wales to promote the sanctity of human life. The parish collection taken on the day funds the Bishops' Conference contribution to the Anscombe Bioethics Centre, the production of pro-life materials and other designated charities as determined annually.

Olympic Chaplaincy reserve

This fund consists of donations made towards and expenditure in support of the contribution of the Catholic Church to the 2012 Olympic Games.

Priests' Training Fund

This fund represents the balance of grant monies received to be used explicitly for the education of seminarians in England and Wales and at the discretion of the Bishops' Conference to support those dioceses most in need of funds for the training of future priests.

Prison Chaplaincy reserve

This fund represents monies collected to support the post of the Catholic Bishops' Prison Advisor within the conference secretariat. This role supports the Dioceses in ensuring the pastoral needs of Catholics in prison are properly met and that the Church is engaged with the Prison Service at national level.

Religious Restructuring project

This fund represents monies received in order to implement the restructuring of the Religious Safeguarding Commissions.

Catholic Students International Chaplaincy Fund

This fund was transferred by the Catholic Students International Chaplaincy Fund as a restricted fund within the Trust for grant making purposes. The funds remained restricted for five years after the signing of the Trust deed after which point, during 2012, the use of these funds became at the discretion of the Trust and have now been transferred to a designated fund during the year.

Catholic Communications Network (CCN)

This office of the Bishops' Conference is funded almost entirely by proceeds from the World Communications Day collection in England and Wales specifically for Catholic communications.

Safeguarding Reserve

This denotes reserves accrued under expenditure for safeguarding activities, including CSAS.

Notes to the financial statements 31 December 2012

28 Restricted funds (continued)

Relics of St Therese

At the request of Cardinal Cormac Murphy-O'Connor and the Bishops of England and Wales, the relics of St Therese of Lisieux visited England and Wales between 16 September and 16 October 2009. This fund represents monies donated to contribute towards the cost of the visit of the relics to England and Wales.

Safeguarding Implementation Group

This fund represents monies set aside to fund the cost of the Safeguarding Implementation Group, who were appointed by the Bishops to review the recommendations of the Cumberlege Commission report, *Safeguarding with Confidence*.

Lisbon Fund

This fund was inherited from the Lisbon Trust Fund for the purposes of maintaining a property owned by the English College Lisbon to fulfil the requirements of the Holy See on the closure of the seminary. The sale of the property completed during 2008 and the proceeds are to be administered according to the requirements of a 1973 decree of the Holy See.

Faith in the Future initiatives

This represents monies raised under the *Faith in the Future* fundraising initiative as yet unallocated, or to fund the costs of the fundraising function, and funds raised in pursuit of the aims of the Faith in the Future initiative and distributed to other parts of the Church or partners in the mission of the Catholic Church.

Papal Visit

This fund represents donations received towards and the costs incurred in relation to the visit of His Holiness Pope Benedict XVI to the United Kingdom.

Catholic Agency to Support Evangelisation (CASE)

To collect and distribute funds for the Catholic Agency to Support Evangelisation. This is largely funded from the Home Mission Sunday Collection and other donations. The trustees allocate resources from general funds to meet the requirements of this priority area for the Bishops' Conference.

National Office for Vocations

The National Office for Vocations was established in 2002 with a two-fold remit - to develop the Vatican II understanding of vocation in the Church and to promote particular vocations especially priesthood. The trustees allocate resources from general funds to meet the budget requirements of this priority area for the Bishops' Conference.

Internships

In 2002, the Catholic Parliamentary Internship Programme was created to enable graduates to be placed, each year, with Christian MPs at Westminster. The programme includes part time study at Heythrop College, exposure to the work of the Catholic Church at national and international level and regular spiritual guidance. Funding for this programme is one of the elements of the Trust's fundraising policy. The programme has been expanded to graduates being placed both with MPs in Brussels, and executive staff within other agencies of the Bishops' Conference.

Ecumenical Instruments

To receive Diocesan contributions to the subscriptions made, on behalf of the Catholic Church in England and Wales, to the Ecumenical Instruments in Britain and Ireland.

Notes to the financial statements 31 December 2012

29 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for a specific purpose:

Group and charity	At 1 January 2012 £	Designated/ released in year £	At 31 December 2012 £
Tangible fixed assets fund	4,449,147	(50,497)	4,398,650
Investment property fund	1,991,282	—	1,991,282
Programme related investments fund	1,369,628	(9,964)	1,359,664
Bishops' Initiative fund	637,793	(127,590)	510,203
Secretariat fund	19,201	—	19,201
Vocations fund	—	60,000	60,000
Safeguarding fund	—	360,000	360,000
Communications fund	—	422,000	422,000
Catholic Students Chaplaincy fund	—	572,374	572,374
	8,467,051	1,226,323	9,693,374

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets held as part of the unrestricted funds. A decision was made to separate this fund from the general fund of the charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the charity and as they are not regarded as realisable with ease in order to meet contingencies.

The investment properties fund and programme related investments fund represents the value of investment properties and programme related investments. A decision was made to separate these funds from the general fund of the charity in recognition that they are not realisable with ease.

The Bishops' Initiative fund represents a donation given in support of strategic social welfare, family life and leadership initiatives, to be allocated as the Bishops from time to time determine.

The Secretariat fund represents monies set aside in order to complete the restructure of the secretariat and administrative function of the charity.

The Vocations fund represents monies set aside to ensure ongoing national formation work.

The Safeguarding fund represents funds set aside to support the ongoing work of Safeguarding at a national level.

The Communications fund represents monies held to allow for the ongoing work of the Media Office.

The Catholic Students Chaplaincy fund represents monies held for grant making purposes. This has been transferred from restricted funds in the year, as per note 23, as the use of the funds are now at the discretion of the Trust.

Notes to the financial statements 31 December 2012

30 Analysis of net assets between funds

Group	General funds £	Designated funds £	Trading subsidiary £	Restricted funds £	Total 2012 £
Fund balances at 31 December 2012					
Are represented by:					
Fixed assets	—	4,398,650	—	—	4,398,650
Investments	1,401,622	4,765,320	—	666,327	6,833,269
Current assets	—	529,404	292,443	1,092,451	1,914,298
Creditors: amounts falling due within one year	(63,748)	—	(254,511)	(154,224)	(472,483)
Total net assets	1,337,874	9,693,374	37,932	1,604,554	12,673,734

31 Leasing commitments

Operating leases

At 31 December 2012, the charity had annual commitments under non-cancellable operating leases which expire as follows:

	Land and buildings		Equipment	
	2012	2011	2012 £	2011 £
Operating leases which expire:				
Within one year	—	—	—	2,011
Within two to five years	13,084	13,084	9,350	4,598
	13,084	13,084	9,350	6,609