

CATHOLIC TRUST FOR ENGLAND AND WALES

**(Registered Charity No: 1097482)
(Company Registration No: 04734592)**

TRUSTEES' REPORT

AND

FINANCIAL STATEMENTS

31 December 2015

haysmacintyre
Chartered Accountants
Registered Auditors

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CATHOLIC TRUST FOR ENGLAND AND WALES

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The Trustees, who are directors for the purpose of company law, present their report together with the financial statements of the Catholic Trust for England and Wales (CaTEW) for the year ended 31 December 2015. The report also incorporates a Strategic Report as required under the Companies Act 2006.

This report and accounts have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

HISTORY AND ORGANISATION

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. CaTEW is the charitable and legal entity which holds in trust, the assets and property of the Catholic Bishops' Conference of England and Wales (CBCEW) and raises funds for the CBCEW. These resources are held by CaTEW to enable the CBCEW Secretariat (and those agencies and offices managed by the Secretariat which operate under the legal governance of CaTEW) to procure those activities and programmes of work which the Bishops wish to commission or support collegially.

The Trustees have had regard to the Charity Commission's guidance on public benefit. Through the work of the departments, agencies and projects set out below, CaTEW, 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 below in this 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 encourage Catholic life and detailing the work of the Trust on its website and via its media service and resources, all of which are freely available.

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. In addition to these discrete work streams, there are also two pan-departmental offices: The Catholic Safeguarding advisory Service (CSAS) and the Catholic Communications Network (CCN).

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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.

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.

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.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

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, the education agency of the Bishops Conference, responsible for promoting and supporting Catholic education.

CES worked on a number of education policy issues during 2015 including: 50% cap on admissions by faith at free schools and new academies; inspections; standards; leadership formation and succession planning; school governance; school admissions; Religious Education and GCSE reform.

The CES increased its public affairs work during 2015. It increased its links with MPs, Peers and Assembly Members, responded to a number of calls for evidence from the education select committee and was represented at the major party conferences. A successful joint event was held at the Conservative Party Conference with the Institute of Economic Affairs.

During 2015 the CES continued to develop its media and communications work. The monthly CES schools' newsletter allowed CES to share with Catholic schools our work and highlight projects. Weekly News and Policy Digests were emailed to all schools summarising developments in education of relevance to the Catholic sector.

CES again produced an annual Census, collecting data from every Catholic school in England and Wales. This data was published in separate English and Welsh census digests, to reflect the divergent Education systems.

The CES continued to support dioceses on matters regarding employment and education law as well as providing media and political advice.

CES also worked with the international bodies the European Commission for Catholic Education and the Joint Committee for Catholic Education to monitor developments likely to affect Catholic education across Europe. CES took an active part in the Cathedrals Group of Christian universities and university colleges.

National Office for Vocation (NOV)

NOV works in collaboration with local and national agencies to support the promotion of 'vocation' within the Catholic community. This includes the calling to married life, to single life, to the diaconate as well as priesthood and consecrated life.

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Catholic Education and Formation (continued)

National Office for Vocation (NOV) (continued)

During 2015, NOV focussed on consulting widely in drawing up a new National Vocations Framework, promoting all those vocations that lie at the heart of Catholic Church's life; this Framework was approved by the CBCEW plenary meeting in November 2015. This National Vocations Framework is a core element in fulfilling CaTEW's aim of promoting the Catholic faith. 2015 also saw the publication of the statistics of those entering religious life in 2014; this showed the highest number of women entering in 25 years, the outcome of work by NOV and others in helping young women to discover their vocation. As well as benefiting the Church itself, priests and religious, NOV offers services to large numbers of people who are not members of the Church.

Christian Life and Worship

One of the main activities for 2015 has been the preparation for publication of new liturgical translations of Confirmation and Marriage. These are special celebrations in the life of every church community and will be attended by those from the community and beyond. These are joyful occasions which require preparation and resources have been placed on the Liturgy Office website to help those preparing Confirmation or for couples getting married understand and plan their celebration.

The Historic Places of Worship Support Officer has helped churches across the country access funding through the Roof Repair Fund and the First World War Centenary Cathedral Repairs Fund. This is part of the Bishops' Conference's commitment to maintain and support the heritage of Catholic Church buildings in England and Wales which are important places for the local Church community and beyond.

The Committee for Spirituality has built on the publication '*Do you love me?*' on Catholic Spirituality, which was published at the end of 2014 and had to be reprinted after selling 6,000 copies in the first 3 months. This indicates a desire to engage with and develop people's understanding of spirituality as a source of well being in their lives.

Christian Responsibility and Citizenship

The work of the department continues to be organised around the three priority themes identified by the Bishops: marriage and family life; the support of marginalised and vulnerable people; and life issues and dignity of the person.

Marriage and family life

Work to support marriage and family life in 2015 has focussed on developing Diocesan capacity for family ministry, researching a handbook for pastoral accompaniment of families, developing guidelines for marriage preparation, promoting family groups and preparing for the Ordinary Synod of Bishops which took place in Rome in October. During the year support has been given to four Diocesan projects as their work got underway, with another four due to start in 2016, with particular attention to evaluating impact using standardised measures.

Consultation on a handbook that will guide those working in the church with families has continued as has a review of proposed Guidelines for marriage preparation. A short film was commissioned to support parishes in becoming more family-friendly and welcoming. A new resource, '*Walking with Families in Sharing the Good News*' was produced to raise awareness of how parents can be supported to pass on faith in God to their children.

A significant focus of work this year has been the compilation of responses to the lineamenta for the Synod, in collaboration with dioceses, and the synthesis of responses to the Bishops' own consultation document: *The Call, The Journey and The Mission*. With interest in family matters raised by the Synod, the number of presentations in which the

Christian Responsibility and Citizenship (continued)

department was involved in across England and Wales increased considerably, providing a good opportunity to report on the status of Catholic family life today and to draw attention to practical resources for meeting emerging needs.

Church teaching stresses the unique importance of healthy family life for the person, the family unit, wider society and the Church. The department's work creates an impetus for dioceses and parish communities to support healthy marriage and increase relationship resilience, through guidelines for marriage preparation, through ideas for accompanying families across the life cycle, and through supportive parish communities to whom to turn in moments of need and celebration.

The main impact of the department's work is felt in the Diocesan projects which equip local communities with strategies, skills and experience in family ministry. These are focussed on marriage preparation, parenting, community-building through family groups, and support for grandparents. The department's impacts are in deepening faith, building community and social cohesion through stable family life. Recently, tools have been identified that will measure impact more robustly particularly the quality of married relationships, attitudes to marriage, family satisfaction and communication and strength of religious faith.

The support of marginalised and vulnerable people

This strategic aim is chiefly pursued through the Caritas Social Action Network (CSAN), funded by the Conference and by fees paid by its member charities. CSAN continues to develop its membership network and has launched an audit of members social action work to support CSAN's advocacy efforts.

CSAN is currently reviewing its strategy to ensure that its values, vision and mission reflect its status as an agency of the Conference and as a network of independent Catholic charities. It is also creating a fundraising strategy to ensure its long term financial viability.

Work in prison chaplaincy continues. Out of a prison population of 85,000 there are approximately 15,000 men, women and children registered as Catholic. Catholic chaplains continue to be appointed; however, there is still a shortage of suitably qualified candidates, and there continues to be more posts available than it is yet possible to fill.

During the year 6 prisons were visited and five Diocesan meeting of chaplains were attended. The main concern identified was the impact of staff shortages in prisons, affecting time out of cell and access to Mass and chaplaincy activities. In November there was a retreat for chaplains at Hinsley Hall, attended by 15 chaplains. This was the first such event, and was much appreciated.

Research commissioned by the CBCEW from Lemos and Crane about the needs of Catholic prisoners is completed and has been approved by the Ministry of Justice. It is called "Belief and Belonging" and will be launched at a reception at Archbishop's House, Southwark in April 2016. This research is very affirming of Catholic chaplains in their work, and also challenges the wider Church in our response to the needs of prisoners before and after release. In partnership with Redemptorist Publishing a prison wide Catechetical Course 'Inside Faith' is being written and will be published in time for Prisons Sunday in October. The booklet "Morning and Evening Prayer for People in Prison" continues to be distributed.

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Christian Responsibility and Citizenship (continued)

Life issues and the dignity of the person

In 2015 the Day for Life theme was Care at the End of Life: Cherishing Life and Accepting Death. In September 2015 Bishop Sherrington, on behalf of the Cardinal, met a Junior Minister in the Department of Health (Ben Gummer) to discuss spiritual care at the end of life. There is active government interest in the contribution the Church can make in this area and this collaboration and dialogue is being taken forward.

During 2015, a decision was made to initiate the Art of Dying Well project, led by Bishop Sherrington. During 2015 significant funding was secured to take this work forward.

During the year, the Health and Social Care Advisory Group (HSCAG) continued to work and negotiate with the NHS. A new guide was produced for Chaplains and NHS funding was secured for training courses for managers on the relationship between the Church and Chaplaincy. During 2015 the HSCAG made progress with the organisation of their conference which will be held in June 2016.

Other Areas of Work

Marris Bill on Assisted Suicide: A great deal of work was done both by Department staff excellently supported by the Parliamentary and Public Affairs Team and the CCN to help mobilise opposition to the Marris Bill. There was an excellent result with this legislation being defeated in a free vote at Second Reading on 11 September 2015 by 330 votes to 118. Among the activities were putting together a short briefing and pro forma letters which were sent by email to all parishes in England and Wales in July; setting up an "online action" facility on the Bishops' Conference website through which Catholics could email their own MP directly (over 3,000 people did this); third, distributing 600,000 postcards to parishes in August; and providing core funding support to Living and Dying Well which produced a series of outstanding briefings and op-ed newspaper articles. Department staff also worked with the Church of England on drafting an interfaith leaders' letter, co-signed by Cardinal Nichols and the Archbishop of Canterbury, published a week before Second Reading.

The Parliamentary Internship scheme continues to thrive. Eight new Catholic Parliamentary and Public Policy Interns were selected over a two day selection process held in March 2015. A separate website has been established for the internship scheme, called www.faithinpolitics.org.uk.

Dialogue and Unity

The Department's priorities for 2015 were as follows:

- Supporting the work being done at Diocesan level by Diocesan ecumenical and inter-religious co-ordinators by offering advice, courses and resources;
- Assisting and resourcing the four ecumenical bilateral dialogues (with the Anglicans, Methodists, United Reformed Church and the informal dialogue with the Byzantine Orthodox) and also the informal conversations (and a study day) with the Baptist Church;
- Contributing to the work of the national ecumenical instruments (Churches Together in England, CYTUN – Wales, and Churches Together in Britain and Ireland) by assisting with the training of new county ecumenical officers, working collaboratively with the denominational National Ecumenical Officers and being actively involved with meetings of the CTE Enabling Group, its Forum and its Theology and Unity Group as well as the CTBI Faith and Order Group.
- Representing the Bishops' Conference at the Church of England General Synod and at ecumenical events and celebrations (e.g. at the Evensong and Dinner for the visit of the Orthodox Ecumenical Patriarch of Constantinople).

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Dialogue and Unity (continued)

The Department works closely with its sister Departments to affirm and support the pastoral and evangelistic work being carried out by the bishops, clergy, religious and lay people of the 22 dioceses of England and Wales. A member of both the Department of International Affairs and also of the Catholic Communications Network attends the biannual meeting of the Department of Dialogue and Unity.

The main impact of the Department's work is the building and development of relationships and trust through ecumenical and inter-religious dialogue. This promotes greater understanding and respect for people of other traditions and faiths (or non-faith), opportunities to explain any misunderstandings about Catholic belief and practice, openness to recognise what beliefs and values we share, an honesty to face the issues that still divide us and a commitment to work together in service to the world.

Evangelisation and Catechesis

The Department for Evangelisation and Catechesis assists the Bishops' Conference to help Catholics know and share their faith. A particular focus of the Department's work is to support the 'New Evangelisation'; a term that was first used by Saint Pope John Paul II, and subsequent Popes, to encourage a new missionary impetus in the life of the Catholic Church. Areas of departmental work include: home mission, Bible study and promotion, adult faith formation and catechesis, youth ministry, communications, rural mission and Catholic Faith enquiry accompaniment.

During 2015 one of the highlights of the Department's work was the successful delivery of the Proclaim '15 initiative, which aimed to support, inspire and encourage new expressions of parish evangelisation. The project provided new prayer and formation resources for parishes, and the delivery of a national Catholic evangelisation conference on 11 July in Birmingham for over 850 Catholic leaders, representing every diocese in England and Wales.

The Department's work aims to support the promotion of the Catholic Faith in England and Wales, and to equip Catholics to do confidently the same. The RCIA (Rite of Christian Initiation of Adults) Network, for example, which reports to the Department, is made up of people who have leadership roles in the RCIA process in dioceses and parishes, and exists to support them practically in their work with faith enquirers. The Network promotes too an authentic understanding of the Church's teaching about the Rite. This is complemented by the work of the Catholic Faith Enquiry Centre, which responds to people who have questions to ask about Catholicism. The Department also liaises, via its Home Mission Desk, with networks of people whose role within dioceses is adult formation, catechesis and evangelisation. Broadly speaking, these networks help members of the Catholic community to deepen their knowledge and experience of the Catholic Faith, enabling them to share the joy of being a follower of Jesus Christ confidently. Finally, the Department's Working Group on Rural Issues examines and promotes resources to further the sharing of the Gospel in rural areas. It has an annual conference that has as its focus both agricultural challenges and rural ministry.

The impact of the Department's work is far reaching and supports people at local, national and international level to deepen their understanding of the Catholic Faith, and to become Catholics. A large body of resource has been provided during the past year, which is freely available on the Bishops' Conference website for download and local usage. Equipped by these materials, a growing number of parishes are now starting parish evangelisation teams to share and promote the Catholic Faith in their local area, through both faith witness and community service.

International Affairs

The Bishops' Conference of England and Wales is committed to supporting poor and vulnerable communities at home and abroad and one important part of that witness is the Holy Land Coordination (HLC). The HLC is an initiative of the Holy See that brings together bishops' conferences from around the world, especially from Europe and North America, to help sustain the Christian communities in Gaza, Israel, Palestine, and Jordan. The HLC is financed and staffed by our bishops' conference as an important contribution of the English and Welsh Catholics to the Universal Church. The Coordination works by promoting pilgrimages, encouraging prayer and advocating the Holy See's witness for peace and justice with the respective political authorities. Each of those elements is important in encouraging and supporting the Local Church. For example, pilgrimages create better understanding of the challenges Christians face in the Holy Land as well as helping to support directly those many Christians involved in organising tours and thus generating hope and employment.

This year the twelve bishops' conferences of the HLC were present in Gaza, which remains isolated and desperately poor after the 2014 war. The tiny Christian presence serves the surrounding community through its schools and charities and the HLC bishop saw at first hand the impact their support is having in sustaining that witness. The HLC also continued to work with the Latin Patriarch, Salesian congregation and the people of the Cremisan valley in trying to stop the annexation of homes and farms by the Israeli government. The bishops were joined in their witness by members of the diplomatic corps, including the UK Consul General, who recognised the importance of the Church's principled objection to the proposed siting of Israel's security wall, which if implemented would have a devastating impact on the lives of local residents. So far the international campaign to save the valley has prevented the seizure of land. Overall, the political crisis afflicting the peoples of the Holy Land remains acute but the witness of the HLC through its projects and presence remains a significant way of encouraging Christians to remain in their homeland. The HLC has made a significant impact on the life of the Christian community in the Holy Land through the encouragement of pilgrimages from the UK, Europe and North America, supporting the institutions of the Church, which serve the entire community, and by raising awareness of the crisis facing Christians and thus generating further practical assistance.

Human Trafficking/Modern Slavery

The Santa Marta Group, which brings together law enforcement and police chiefs with bishops in a partnership to combat human slavery, is an initiative of the bishops' conference. It began in 2014 at a meeting in Rome where 25 heads of national and international police forces came together with bishops from those countries to tackle the scourge of human trafficking. Encouraged by Pope Francis who attended the meeting, the members of the Group committed to working with each other to prevent trafficking, improve the pastoral care of those freed and help their reintegration into society. After a second gathering in London in late 2014, the Santa Marta Group has continued its collaboration and met again in Madrid during October 2015, with the support of the Spanish National Police and in the presence of Queen Sofia. At the conference, which included new members from Southern Africa and Latin America, the Group focussed on building a practical programme and developing the best practice, especially in training and awareness-raising programmes designed to prevent trafficking, especially of young women. The Group's first projects - in West Africa aimed at reducing sexual trafficking and in the North Atlantic focussed on maritime slavery - continued to develop as did the work of Bakhita House, the London refugee centre for trafficked victims created by Cardinal Nichols, the president of the Santa Marta Group. The Cardinal also signed an agreement with the International Organisation for Migration to enhance the existing partnership on training and reintegration, something that has quickly shown its worth. The Santa Marta Group benefits society by helping to identify, rescue and care for victims of human slavery in the UK and internationally.

The creation by the UK government of the Independent Anti-Slavery Commissioner has been a major boost to fighting trafficking domestically and internationally. The Santa Marta Group has created a close and effective partnership with the new Commissioner Kevin Hyland and a highlight has been the work done by the Group to support the Commissioner's successful campaign to include trafficking as one of the goals in the UN's new Sustainable Development Goals. That achievement means that countering slavery now becomes a key element within the international community's approach to development and thus to prevention since poverty remains one of the key reasons which allows organised criminals to exploit vulnerable individuals and communities.

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Catholic Safeguarding Advisory Service (CSAS)

CSAS has supported the National Catholic Safeguarding Commission (NCSC) in the development of a pastoral support service which is aimed at providing or facilitating pastoral services for victims of abuse (whether or not church-related) who appear to have an immediate need. This service aims to enable victims and survivors to be supported to access the most appropriate resource to meet their immediate needs. The working group is near completion of a background 'concept report' and putting together a tendering template.

CSAS has identified the need to develop a quality assurance framework that encompasses a range of quality assurance exercises, focused on quantitative and qualitative reporting on outputs and outcomes for those being assisted by safeguarding services across the Church. Working with the NCSC, a task sub group has been set up to take this work forward.

The national safeguarding policies and procedures of the Church in England and Wales are subject to a complete review; several are in hand at present. The purpose of the review is to streamline the current arrangement and make them more accessible.

Disclosure and Barring Service processing by Ebulk has exceeded the forecast for 2015 and CSAS is projecting circa 15k applications during 2016. Most dioceses are now able to process applications using Ebulk but some have yet to start doing so. The benefits of using Ebulk are evident including faster processing times, being able to confirm appointments sooner and fewer opportunities for errors to be made. Later this year, CSAS will expect all countersignatories to be using Ebulk.

CSAS has revised the Disclosure and Barring Service Umbrella Body Agreement and has been implemented. During 2016 all existing Agreements will be renewed in line with this new document.

CSAS has been supporting the work of the Catholic Council for the Independent Inquiry into Child Sexual Abuse and has been working with dioceses and Religious Orders to collect data and other relevant national reflections of the work of the Church to inform the Inquiry.

Catholic Communications Network

The Catholic Communications Network (CCN), the media office of the Bishops' Conference of England and Wales, provides a professional news service both to the Church and the world. CCN promotes the Gospel through the media and directly through its digital platforms. Working with journalists and media outlets more widely, CCN promotes the work of the Bishops and uses current issues to develop the public profile of the Church and its teaching through press conferences, media briefings, news releases and a digital strategy, with a particular focus on the visual, including extensive use of social media.

In 2015, CCN produced a series of short filmed interviews with Bishops focusing on their areas of interest to accompany the points of principle in the Bishops' Conference pamphlet for the General Election, which was disseminated to every parish in England and Wales. Supported by a benefactor, a strategy to engage young people in the election process was also put together, focusing on social media. Favourable coverage of the Catholic Church's approach to the election was gained across the national newspapers and the mainstream media.

In 2015 the refugee crisis that has engulfed Europe led to significant CCN resource in supporting the Bishops' response. From a media perspective a significant part of this response was when Cardinal Nichols visited refugees in Iraq. National and international coverage was secured.

CCN's digital platform showcases the activities of the Bishops. Additionally in 2015, further progress has been made on the creation of a digital directory of parishes and dioceses. Plans are in place for additions and improvements to be made to this directory in 2016.

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Catholic Communications Network (continued)

The impact of this media and communications work is significant, both in informing Catholics and wider society of the Church's witness in specific areas such as the affirming the importance of marriage and family life (with considerable media work in and around last year's Synod of Bishops in Rome), but also in contributing to the public debate on current affairs and helping to shape that debate. A good example of this would be the work on human trafficking through the Santa Marta Group. Whereas five years ago, there was little if any awareness of the phenomenon of modern slavery, now there is wide public awareness and significant media coverage of the issue. Working with the Independent Anti-Slavery Commissioner, the police and government, the Catholic Bishops' Conference has helped to shape public awareness of human trafficking.

Similarly the work internationally in the Middle East ensured the plight of Christians and other minorities in the Middle East, as well as the desperate conditions of all people in Gaza when the media spotlight had moved on, was brought into the public domain.

Domestically the encouragement of the Bishops for Catholics and other people of goodwill to engage in the democratic process in the lead-up to last year's general election clearly demonstrated the way the Catholic Church benefits society as a whole. Focusing on the underlying issues of principle for people to consider when electing the Government, always placing the good of each person at the centre of political discourse, while not being drawn into party politics or encouraging people to vote for any particular political party again is a clear demonstration of benefiting society as a whole.

Fundraising activities

Faith in the Future, the Trust's fundraising initiative, has continued its work throughout 2015 and during this year raised £346,397 against a target of £320,000. In addition, funds were raised during the year to support Human trafficking work and the Proclaim 2015 event.

FINANCIAL REVIEW

Income and Expenditure

In 2015 the income of the Trust from all sources was £12,264,111 (2014: £4,914,782). The main sources of income 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), the Day for Life (to support the Anscombe Bioethics Centre and the pro-life activities of the Conference), and Racial Justice Sunday (to support the Church's work with migrants and refugees, and the provide funding to the Catholic Agency to support Racial Justice).

Other income is derived from investments, grants and property.

During the year, the Trust disposed of its property at West Heath Road NW3, which gave way to a gain of £6.15million. The sales proceeds are to be invested, in order to derive an income to be used to support the ongoing work of the Trust.

Total expenditure for the year was £4,767,902 (2014: £4,848,622). The expenditure of the Trust is analysed in detail in the accounts attached to this report.

The results for the year are shown on page 19. A detailed analysis of the results is provided on pages 25 to 39. The net movement in funds for the year was a surplus of £7,458,836 (2014 - £14,079,222).

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FINANCIAL REVIEW (continued)

Income and Expenditure (continued)

The balance sheet shows total reserves of £37,150,113. Restricted funds of £4,623,255 represent unexpended balances held on trust to be applied for specific purposes. A further £28,252,919 has been set aside as designated funds as it is either represented by fixed assets or designated for a specific future use and so not available for the general purposes of CaTEW. Designated funds include £4,237,385 which represents the net book value of the charity's tangible fixed assets, £1,228,416 which represents the value of the programme related investments, £22,350,000 which represents sales proceeds from the sale of investment property, which will be invested in order to generate income in order to sustain the core work and activities of the Trust, £417,917 which represents funds set aside for new initiatives and expansion of the Catholic Education Service, and £19,201 which represents a fund held for use at the discretion of the General Secretary for a restructure of the secretariat and administrative offices. In addition £37,932 represents funds invested in the charity's trading subsidiary. The remaining funds amounting to £4,236,007 are the general funds or 'free' reserves as defined by the Charity Commission.

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.

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 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 3.3% in 2015.

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 expenditure of approximately £4,900,000 in free reserves as defined by the Charity Commission. This level is kept under review to ensure that there are sufficient reserves to meet new initiatives from the Bishops.

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FINANCIAL REVIEW (continued)

Reserves Policy (continued)

The value of CaTEW's free reserves at 31 December 2015, following principles established by the Charity Commission, was £4,236,007 or ten months of expenditure. The trustees are of the opinion that these reserve levels are adequate given expenditure plans for 2016.

Future Plans

Now that the West Heath Road property has been sold, the sales proceeds will be invested and the income they generate will be used to sustain the core work of the Trust. It is hoped that over time, the Trust will be in a position to place less reliance on fundraising income to sustain core work. With this in mind, an external review of the Bishops' Conference Secretariat and its structures is to be undertaken, in order to determine the core purpose and work of the Trust and to identify those areas of work which should be projectised and fundraised for separately.

It is hoped that the review will lead to more efficient and collaborative working across the organisation in line with the Bishops' strategic objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Catholic Trust for England and Wales (CaTEW) 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.

Appointment of 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.

Trustee induction and training

In order to 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 materials explaining trustees' legal responsibilities, are provided. Where trustees identify a need for training to effectively carry out their duties, appropriate resources are identified and training provided.

Organisation

The governance of the charity is accomplished through the Annual General Meeting with the members, and meetings of the Board of Trustees and its constituent sub committees. The day to day management of the charity is delegated to the Operational Management Group, detailed on page 15 of this report, and is supervised through the constituent Board meetings.

CATHOLIC TRUST FOR ENGLAND AND WALES

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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 primary risk identified in 2015 was the continuing reliance on fundraising to cover the cost of the core work of the Trust. Whilst it is hoped that the investment of property sale monies will alleviate pressure on fundraising, one of the trustees was appointed as link trustee for fundraising to work with the Head of Fundraising to foster and maintain relationships with donors, as well as working on a fundraising strategy to raise funds in support of the core work.

It is also imperative that the organisation is run as effectively and efficiently as possible to reduce the reliance on fundraising income and second collections to fund core work.

Concerns were noted about the level of Diocesan levy which has remained static over the last ten years, representing a reduction in funding in real terms. A review of the amount and calculation method of the levy was performed during 2015, resulting in an overhaul of how the levy is calculated, and the amount of levy is to be increased from 2016, so as to ease financial pressure on the Trust.

The sale of the West Heath Road property was identified as a significant risk the Trust faced during the year, requiring a certain level of professional skills to ensure that the transaction was properly managed to obtain the best possible financial result and to address any issues in a timely manner. To mitigate against this risk, two trustees agreed to project-manage the transaction and work (assisted by the Head of Finance) with the solicitors and surveyors to bring the sale to completion.

Due to the level of delegated responsibility, and collaborative work on both an internal and national level, it was noted that the appointment of senior members of staff carries a high level of risk and it is imperative that appropriate procedures are put in place to ensure that the best candidate is recruited. It was agreed that when senior staff are recruited for, a full and thorough selection process is put in place and that interview panels should include persons appropriate in order to assess the suitability and capability of candidates.

Subsidiary companies

The charity had one wholly owned subsidiary company during the year: Colloquium (CaTEW) Limited.

Colloquium (CaTEW) Limited was incorporated on 15 April 2003. Colloquium collects royalties from the sale of publications by the CBCEW. The subsidiary company's results are included in the consolidated financial statements presented with this report.

Remuneration policy

The pay of the senior staff is reviewed annually and normally increased with consideration to both the cost of living and average pay reviews within other not for profit organisations. Senior staff salaries are benchmarked with reference to the external market through regular participation in relevant pay surveys. The remuneration bench-mark is 90% of the mid-point of the range paid for similar roles.

Relationships 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.

CATHOLIC TRUST FOR ENGLAND AND WALES

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Relationships with other Charitable Organisations (continued)

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 resources 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), 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, Apostleship of the Sea, and the Catholic Medical Association.

CATHOLIC TRUST FOR ENGLAND AND WALES

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

REFERENCE AND ADMINISTRATIVE DETAILS

BOARD OF TRUSTEES

Rt Rev Malcolm McMahon OP (Chair)
Mr John Gibbs
Mr Kees Kempenaar
Mr Richard King
Mr William Moyes

Mr Edward Nally
Mgr John Nelson
Mr Nigel Newton
Mr Edward Poyser
Mr Michael Prior

Rev David Roberts
Mrs Kathleen Smith
Ms Pauline Stuart
Dr Elizabeth Walmsley
Dr James Whiston

GENERAL SECRETARY

Rev Christopher Thomas

OPERATIONAL MANAGEMENT

Mrs Michaela Kelly
Mrs Sarah Pearson
Ms Lorraine Welch

Head of HR
Head of Finance
PA to the General Secretary

CHARITY NUMBER

1097482

BANKERS

HSBC plc
69 Pall Mall
London
SW1Y 5EY

SOLICITORS

DLA Piper LLP
3 Noble Street
London
EC2V 7EE

Jose Perez
Rue Marques da Fronteira
1070-295 Lisboa
Portugal

AUDITOR

haysmacintyre
26 Red Lion Square
London
WC1R 4AG

INVESTMENT ADVISORS

Investec Wealth & Investment Ltd
2 Gresham Street
London
EC2V 7QN

Ruffer LLP
80 Victoria Street
London
SW1E 5JL

(appointed 2 February 2016)

Charles Stanley
25 Luke Street
London
EC2A 4AR

(appointed 2 February 2016)

CATHOLIC TRUST FOR ENGLAND AND WALES

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of CaTEW 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 requires 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 apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

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.

This report, which incorporates the Strategic Report, was Approved by the Board of Trustees on 6th July 2016 and signed on its behalf by:



Rt Rev Malcolm McMahon OP

Trustee

THE INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES 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 2015 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company 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 those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out in the Trustees' Report, 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.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2015 and of the group's and the parent charitable company's net movement in funds, including the group's and the parent income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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


Adam Halsey (Senior statutory auditor)
for and on behalf of haysmacintyre, Statutory Auditor

6 July 2016

26 Red Lion Square
London
WC1R 4AG

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

CATHOLIC TRUST FOR ENGLAND AND WALES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Income and endowments from:					
Donations and Legacies	1a	17,855	2,752,317	2,770,172	1,755,720
. Diocesan Assessments	1b	2,453,661	85,050	2,538,711	2,505,999
Charitable activities	1c	73,887	103,323	177,210	90,051
Other trading activities		26,031	-	26,031	22,300
Investment income	1d	335,462	51,998	387,460	345,819
Other income	1e	6,176,875	187,652	6,364,527	194,893
Total		9,083,771	3,180,340	12,264,111	4,914,782
Expenditure on:					
Raising Funds		45,517	107,971	153,488	140,050
Charitable Activities		1,483,620	3,130,794	4,614,414	4,708,572
Total	2 & 3	1,529,137	3,238,765	4,767,902	4,848,622
Net (losses)/gains on investments	6a	(55,339)	17,966	(37,373)	14,013,062
Net Income/(Expenditure) before transfers		7,499,295	(40,459)	7,458,836	14,079,222
Transfers between Funds	11	(979,948)	979,948	-	-
Net incoming resources for the year		6,519,347	939,489	7,458,836	14,079,222
Fund balances brought forward		26,007,511	3,683,766	29,691,277	15,612,055
Fund balances carried forward		32,526,858	4,623,255	37,150,113	29,691,277

CATHOLIC TRUST FOR ENGLAND AND WALES

BALANCE SHEET


AS AT 31 DECEMBER 2015

	Notes	Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
FIXED ASSETS					
Tangible assets	5	4,237,385	4,290,304	4,237,385	4,290,304
Investments					
. Listed investments and investment in subsidiary company	6	5,417,891	5,477,521	5,442,891	5,502,521
. Programme related investments	7	1,228,416	1,292,416	1,228,416	1,292,416
		<u>10,883,692</u>	<u>11,060,241</u>	<u>10,908,692</u>	<u>11,085,241</u>
CURRENT ASSETS					
Property held for sale		-	16,000,000	-	16,000,000
Debtors	8	755,176	638,889	781,266	659,678
Cash at bank and in hand		26,375,520	3,660,043	26,309,758	3,600,046
		<u>27,130,696</u>	<u>20,298,932</u>	<u>27,091,024</u>	<u>20,259,724</u>
LIABILITIES					
Creditors: Amounts falling due within one Year	9	(864,275)	(1,667,896)	(862,528)	(1,666,620)
NET CURRENT ASSETS					
		<u>26,266,421</u>	<u>18,631,036</u>	<u>26,228,496</u>	<u>18,593,104</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>37,150,113</u>	<u>29,691,277</u>	<u>37,137,188</u>	<u>29,678,345</u>
NET ASSETS					
		<u>37,150,113</u>	<u>29,691,277</u>	<u>37,137,188</u>	<u>29,678,345</u>
RESTRICTED FUNDS					
Restricted Income Funds	11	4,623,255	3,683,766	4,623,255	3,683,766
UNRESTRICTED FUNDS					
General funds		4,236,007	2,588,945	4,261,014	2,613,945
Designated funds	12	28,252,919	23,380,634	28,252,919	23,380,634
Non charitable trading funds		37,932	37,932	-	-
RESERVES					
		<u>37,150,113</u>	<u>29,691,277</u>	<u>37,137,188</u>	<u>29,678,345</u>

Approved by the Trustees on 06/07/16 and signed on their behalf by:

Rt Rev Malcolm McMahon OP

Trustee



The notes form part of these accounts.

Company registration number: 4734592

CATHOLIC TRUST FOR ENGLAND AND WALES

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £	2014 £
CASH FLOW STATEMENT		
Cash flows from operating activities:		
Net cash provided by (used in) operating activities: (see below)	195,479	(313,374)
Cash flows from investing activities:		
Dividends, interest and rents from investments	315,660	311,370
Purchase of property, plant and equipment	(28,109)	(42,928)
Proceeds from the sale of property, plant and equipment	22,146,190	-
Purchase of investments	(607,788)	(859,496)
Proceeds from sale of investments	630,045	777,349
Net cash provided by investing activities:	22,455,998	186,295
Cash flows from financing activities:		
Repayments of borrowing	64,000	57,392
Net cash provided by (used in) financing activities:	64,000	57,392
Change in cash & cash equivalents in the reporting period	22,715,477	(69,687)
Cash & cash equivalents at the beginning of the reporting period	3,660,043	3,729,730
Cash & cash equivalents at the end of the reporting period	26,375,520	3,660,043
Reconciliation of Net Incoming Resources to Cash inflow/(outflow) from Operating Activities		
Net income for the reporting period (as per SOFA)	7,458,836	14,679,222
Adjustments for:		
Depreciation charges	81,028	96,077
Gains/(losses) on investments	37,373	(14,013,062)
Dividends, interest & rents from investments	(315,660)	(311,369)
Gain on the sale of property	(6,146,190)	-
Increase in debtors	(116,287)	(106,018)
Decrease in creditors	(803,621)	(58,224)
Net cash provided by operating activities:	195,479	(313,374)

ANALYSIS OF CHANGES IN CASH IN HAND AND AT BANK

	1 Jan 2015 £	Cash Flows £	31 Dec 2015 £
Cash in hand and at bank	3,660,043	22,715,477	26,375,520

CATHOLIC TRUST FOR ENGLAND AND WALES

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2015

The financial statements have been prepared in accordance with the Charities (Accounts and Reports) Regulations, the Statement of Recommended Practice "Accounting by Charities" SORP 2015 and applicable accounting standards issued by UK accountancy bodies. These financial statements for the year ended 31 December 2015 are the first financial statements of the Catholic Trust for England and Wales following the adoption of FRS102. The date of transition to FRS102 was on the 1 January 2014. The transition to FRS102 has not affected the financial position of the Charity. The particular accounting policies adopted are described below. The financial statements are prepared under the historical cost convention, as modified to include certain tangible fixed assets at a valuation and fixed asset investments at market value.

a) Basis of preparation

The financial statements represent the Catholic Trust for England and Wales together with its wholly owned trading subsidiary company (consolidated on a line by line basis) listed in note 14. Since the consolidated balance sheet is not materially different from the Trust balance sheet only a consolidated balance sheet and consolidated notes to the accounts have been presented. In accordance with the Charities SORP 2015, no separate statement of financial activities has been prepared for the Charity alone.

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 a restatement of comparative items was needed. No restatements were required.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Preparation of accounts on a going concern basis

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives trustees confidence the Charity remains a going concern for the foreseeable future.

c) Legacies, Donations and Grants

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

d) Investments and Investment Income

Fixed asset investments, excluding the investment in the trading subsidiary, are included at their market value. The investment in the subsidiary company is included in the financial statements at cost. Investment income is accounted for as it accrues.

e) Taxation

As a registered charity, the Trust is exempt from income tax, corporation tax and capital gains tax derived from its charitable activities. Recovery of tax deducted at source is credited to the category of income to which it relates.

f) Income and Expenditure

Incoming resources are including in the Statement of Financial Activities on the basis of the amounts receivable for the year and resources expended are included on the basis of the amounts payable for work done and services provided in the year.

CATHOLIC TRUST FOR ENGLAND AND WALES

STATEMENT OF ACCOUNTING POLICIES (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

f) Income and Expenditure (continued)

Charitable expenditure consists of all expenditure directly relating to the objects of the Charity. Certain central costs, which cannot be directly allocated, are apportioned on the basis of the Trustees' estimate of the time spent on the relevant functions.

Raising Funds consists of all expenditure incurred by the Trust to raise funds for its charitable purposes. Certain central costs, which cannot be directly allocated, are apportioned between direct charitable expenditure and governance costs on the basis of the Trustees' estimate of the time spent on the relevant functions.

Supports costs include Governance costs which comprise the costs of running the Charity, including strategic planning for its future development, also external audit, any legal advice, and all the costs of complying with constitutional and statutory requirements, such as the costs of Trustees' meetings and of preparing statutory accounts and satisfying public accountability.

g) Tangible fixed assets

Individual fixed assets costing more than £5,000 are capitalised at cost. Depreciation on freehold property is calculated on a reducing balance basis at a rate of 1% per annum. Depreciation on furniture and equipment is calculated by the straight line method to write off the cost/value less anticipated residual value, over an expected useful life of four years. A full years' depreciation is charged in the year of acquisition and none in the year of disposal.

h) Gains and Losses

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 period. No distinction is made between realised and unrealised gains in the financial statements.

i) Programme related investments

Programme related investments are included 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.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any discounts offered. Prepayments are valued at the amount prepaid net of any discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

k) Creditors

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

l) Fund Accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Designated funds are funds set aside by the Trustees for specific purposes (see note 12).

Restricted funds are used for specific purposes as stated by the grantor. Expenditure which meets these criteria is charged to the fund (see note 11).

CATHOLIC TRUST FOR ENGLAND AND WALES

STATEMENT OF ACCOUNTING POLICIES (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

m) Employee benefits

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Pension scheme

The charity operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of the charity in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year.

n) Leasing

Rent payable under operating leases is charged to the statement of financial activities over the lease term.

o) 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 the statement of financial activities.

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1a. DONATIONS AND LEGACIES

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Donations	16,355	2,508,994	2,525,349	1,495,311
Legacies	-	39,219	39,219	44,633
Grants receivable	1,500	204,104	205,604	215,776
	<u>17,855</u>	<u>2,752,317</u>	<u>2,770,172</u>	<u>1,755,720</u>

1b. DIOCESAN ASSESSMENTS

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Arundel and Brighton	120,227	4,473	124,700	122,806
Birmingham	215,547	6,906	222,453	219,538
Brentwood	124,922	4,457	129,379	127,859
Cardiff	52,816	1,752	54,568	53,546
Clifton	77,894	2,858	80,752	79,689
East Anglia	40,627	1,556	42,183	41,628
Hallam	37,214	1,089	38,303	37,903
Hexham and Newcastle	153,591	5,316	158,907	156,944
Lancaster	65,301	2,152	67,453	66,605
Leeds	110,063	3,997	114,060	113,059
Liverpool	198,728	6,107	204,835	202,801
Menevia	5,430	17	5,447	5,396
Middlesbrough	46,470	1,531	48,001	47,232
Northampton	71,867	2,696	74,563	73,493
Nottingham	95,797	3,411	99,208	98,071
Plymouth	47,115	1,863	48,978	48,250
Portsmouth	112,223	4,235	116,458	114,437
Salford	188,445	5,979	194,424	191,783
Shrewsbury	121,849	4,184	126,033	124,355
Southwark	212,789	7,416	220,205	216,774
Westminster	342,365	12,885	355,250	350,337
Wrexham	7,881	170	8,051	7,993
Contribution from Bishopric of the Forces	4,500	-	4,500	4,500
Contribution from Ordinariate of our Lady of Walsingham	-	-	-	1,000
	<u>2,453,661</u>	<u>85,050</u>	<u>2,538,711</u>	<u>2,505,999</u>

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1c. CHARITABLE ACTIVITIES

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Conferencing income	73,887	103,323	177,210	90,051
	<u>73,887</u>	<u>103,323</u>	<u>177,210</u>	<u>90,051</u>

1d. INVESTMENT INCOME

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Arising on quoted investments:				
Dividends	96,735	41,870	138,605	122,271
Fixed Interest	33,662	9,461	43,123	53,537
	<u>130,397</u>	<u>51,331</u>	<u>181,728</u>	<u>175,808</u>
Rental income	71,800	-	71,800	34,450
Rental income from investment properties	122,089	-	122,089	130,324
Bank interest	11,176	667	11,843	5,237
	<u>335,462</u>	<u>51,998</u>	<u>387,460</u>	<u>345,819</u>

1e. OTHER INCOME

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Other income	30,685	187,652	218,337	194,893
Gain on sale of property	6,146,190	-	6,146,190	-
	<u>6,176,875</u>	<u>187,652</u>	<u>6,364,527</u>	<u>194,893</u>

Gain on sale of property represents the book gain after taking account of legal and professional fees following the sale of a property owned by the Trust.

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

2a.

	Direct Personnel £	Unrestricted		Restricted		Direct Personnel £	Allocated Support (2b.) £	Direct Grant making £	Allocated Support (2b.) £	Total 2015 £	Total 2014 £
		Direct Other £	Direct Grant making £	Direct Other £	Direct Grant making £						
Charitable Activities											
Bishops' meetings, general activities and grant making	-	338,402	153,980	-	-	-	45,050	-	-	537,432	649,525
Catholic Education and Formation	8,172	15,031	-	-	-	39,895	22,683	-	-	139,402	119,674
Catholic Education Service	-	-	-	-	-	575,817	148,855	-	-	887,621	822,347
Christian Life and Worship	42,134	31,768	-	-	-	-	13,968	-	-	87,870	83,089
Christian Responsibility and Citizenship	139,665	34,709	-	-	-	45,229	48,134	-	-	692,748	718,108
Dialogue and Unity	7,802	17,858	-	-	-	-	5,894	223,427	24,207	130,554	123,080
Evangelisation and Catechesis	-	586	-	-	-	-	78	-	-	664	256
International Affairs	133,181	67,904	-	-	-	-	35,029	-	-	236,115	259,917
Catholic Communications Network	-	-	-	-	-	320,813	16,581	-	64,456	481,921	496,636
Catholic Safeguarding Advisory Service	-	-	-	-	-	263,492	81,387	-	-	497,924	486,708
Celebrating family fund project	-	-	-	-	-	97,275	20,932	-	-	233,362	209,551
Priests' training	-	-	-	-	-	-	-	75,000	-	276,631	218,119
Prison Chaplaincy project	-	-	-	-	-	-	-	276,631	-	55,100	31,426
Protecting Catholic Heritage	-	-	-	-	-	32,043	5,225	-	-	41797	31,789
Proclaim 2015	-	-	-	-	-	2,510	12,062	-	-	91,257	2,883
Human Trafficking	-	-	-	-	-	-	5,856	-	-	44,308	139,880
National Catholic Safeguarding Commission	-	-	-	-	-	-	7,851	-	-	59,398	47,723
Blueprint for a better business	-	-	-	-	-	-	3,158	-	-	23,893	222,470
Other projects	-	-	-	-	-	-	12,401	4,862	-	96,419	45,391
Raising Funds	330,954	506,258	153,980	1,377,074	1,085,137	88,663	492,428	579,920	4,614,414	4,708,572	
Subsidiaries	-	102	-	-	-	-	-	-	-	102	97
Fundraising	-	-	-	63,161	44,810	-	18,503	-	-	126,474	113,236
Investment management fees	-	26,912	-	-	-	-	-	-	-	26,912	26,717
Total expenditure	330,954	533,272	153,980	1,440,235	1,129,947	88,663	510,931	579,920	4,767,902	4,848,622	

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

2b. ALLOCATED SUPPORT COSTS

	Charitable activities £	Raising Funds £	Total 2015 £	Total 2014 £	
Staff costs	295,438	9,967	305,405	363,391	Pro rata basis
Premises costs	155,028	4,130	159,158	178,325	Head count
Other costs	130,625	4,406	135,031	141,336	Pro rata basis
	<u>581,091</u>	<u>18,503</u>	<u>599,594</u>	<u>638,052</u>	

Support costs have been directly charged to the relevant activity on the basis of use.

	2015 £	2014 £
Support costs include:		
Auditor's remuneration – Audit (excluding VAT)	<u>12,750</u>	<u>13,450</u>

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

3. ANALYSIS OF GRANT MAKING ACTIVITIES

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Year ended 31 December 2015 £	Year ended 31 December 2014 £
National Board of Catholic Women	10,000	-	10,000	-
Invocation	-	-	-	50,000
National Directories	-	-	-	4,960
National Conference of Priests	890	-	890	852
National Council Lay Association	7,000	-	7,000	7,000
Caritas Social Action Network	90,000	-	90,000	179,320
Lisbonian Society	4,149	-	4,149	4,500
Parliamentary Interns	-	41,257	41,257	41,094
<i>Day for Life</i>				
Anscombe Bioethics Centre	-	100,000	100,000	100,000
Joint Bio-ethics Committee	-	3,870	3,870	3,870
Other grants awarded	-	78,300	78,300	150,600
<i>Celebrating Family Fund grants</i>				
Diocese of Cardiff	-	12,500	12,500	12,500
Diocese of Westminster	-	12,500	12,500	12,500
Diocese of Wrexham	-	12,500	12,500	12,500
Diocese of Leeds	-	12,500	12,500	-
Diocese of Middlesbrough	-	12,500	12,500	-
Diocese of Plymouth	-	12,500	12,500	-
Diocese of Portsmouth	-	-	-	12,500
Diocese of Arundel and Brighton	-	-	-	12,500
<i>Priests' Training and Formation grants</i>				
Ordinariate of Our Lady of Walsingham	-	79,881	79,881	20,119
Diocese of East Anglia	-	75,000	75,000	23,000
Diocese of Leeds	-	75,000	75,000	75,000
Diocese of Menevia	-	-	-	100,000
St Wilfrid's York Oratory	-	20,000	20,000	-
Pontificio Collegio Beda	-	20,000	20,000	-
Walsingham Trust	-	6,750	6,750	-
<i>Grants from the St Faustina Fund</i>	-	4,862	4,862	-
Churches Legislation Advisory Service	19,300	-	19,300	19,000
CCEE	9,611	-	9,611	9,448
COMECE	13,030	-	13,030	14,921
	<u>153,980</u>	<u>579,920</u>	<u>733,900</u>	<u>866,184</u>

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

4. STAFF	2015 £	2014 £
Staff Costs:		
Wages and salaries	1,819,455	1,805,143
Social security	180,827	187,922
Pension costs	76,593	78,835
	<u>2,076,875</u>	<u>2,071,900</u>
Number of Employees:	No	No
Secretariat Departments and Agencies – Average	56	51
	<u>56</u>	<u>51</u>
Secretariat Departments and Agencies – Full Time Equivalent	47	44
	<u>47</u>	<u>44</u>

Termination payments of £32,157 (2014: £18,288) were paid to one (2014:two) employees representing payments made under compromise agreements. The amounts were fully paid and settled at the year end date.

The number of Employees with emoluments greater than £60,000 during the year were as follows:

	£	£
£60,000 - £70,000	2	4
£70,000 - £80,000	2	1
£80,000 - £90,000	1	2
	<u>5</u>	<u>7</u>

Employer contributions totalling £14,556 (2014 - £30,445) were made to defined contribution schemes in respect of all those employees who earned £60,000 or more during the year (as defined above).

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2014: nil). Travel expenses of £3,182 (2014: £2,874) were reimbursed to five (2014: seven) trustees during the year. No trustee received payment for professional or other services supplied to the charity (2014: £nil).

In aggregate, key management personnel (deemed as being the Operational Management Group consisting of the Head of Human Resources, Head of Finance and PA to the General Secretary) received remuneration totalling £138,263 (2014: £135,081).

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

5. TANGIBLE FIXED ASSETS

Group & Charity	Freehold Buildings £	Furniture & Equipment £	Total £
COST OR VALUATION			
At beginning of the year	4,585,120	283,772	4,868,892
Additions	-	28,109	28,109
Disposals	-	(88,305)	(88,305)
At end of the year	4,585,120	223,576	4,808,696
DEPRECIATION			
At beginning of the year	357,099	221,489	578,588
Depreciation	41,942	39,086	81,028
Disposals	-	(88,305)	(88,305)
At end of the year	399,041	172,270	571,311
NET BOOK VALUE			
Net book value at beginning of the year	4,228,021	62,283	4,290,304
Net book value at end of the year	4,186,079	51,306	4,237,385

All fixed assets are used in direct furtherance of the Charity's objects.

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.

6. INVESTMENTS

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Listed Investments (note a)	5,417,891	5,477,521	5,417,891	5,477,521
Investment in subsidiary companies (note b)	-	-	25,000	25,000
	5,417,891	5,477,521	5,442,891	5,502,521

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

6a. LISTED INVESTMENTS	2015	2014
	£	£
Market value at 1 January 2015	5,343,760	5,279,241
Additions	655,879	729,405
Disposals	(630,045)	(777,349)
Revaluation gains/(losses)	(37,373)	112,463
	<u>5,332,221</u>	<u>5,343,760</u>
Market value at 31 December 2015	5,332,221	5,343,760
Cash held for reinvestment by investment managers for re-investment	85,670	133,761
	<u>5,417,891</u>	<u>5,477,521</u>
	<u>5,417,891</u>	<u>5,477,521</u>
Cost of listed investments at 31 December 2015	<u>4,169,401</u>	<u>4,048,641</u>
Investments at fair value comprised:		
Equities	4,285,107	4,572,329
Fixed interest	1,047,114	905,192
Cash	85,670	133,761
	<u>5,417,891</u>	<u>5,477,521</u>
Total	<u>5,417,891</u>	<u>5,477,521</u>

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Included within the investment portfolio at the year end were the following investments which represented more than 5% of the total portfolio valuation:

JP Morgan Fleming Fledgling UK Equity Fund Units	<u>21%</u>
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7. PROGRAMME RELATED INVESTMENTS	Group & Charity	
	2015	2014
	£	£
St Luke's Centre	1,000,000	1,000,000
Venerable English College, Rome	228,416	292,416
	<u>1,228,416</u>	<u>1,292,416</u>
	<u>1,228,416</u>	<u>1,292,416</u>

St Luke's Centre

The St Luke's Centre was purchased 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 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.

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

7. PROGRAMME RELATED INVESTMENTS (continued)

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. A lump sum repayment of £50,000 was made in 2014 and further lump sum repayments of £57,000 were made during the year. The rate of repayment will be reviewed after 10 years and the loan is interest free.

8. DEBTORS

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Prepayments and accrued income	663,462	498,117	663,462	489,307
Other debtors	91,714	140,772	84,564	140,772
Amounts due from subsidiary undertaking	-	-	33,240	29,599
	<u>755,176</u>	<u>638,889</u>	<u>781,266</u>	<u>659,678</u>

9. CREDITORS: amounts falling due within one year

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Expense creditors	58,797	55,238	57,050	53,962
Social Security and other taxes	67,276	52,216	67,276	52,216
Deferred income (Note 10)	26,580	896,852	26,580	896,852
Other creditors	513,528	440,120	513,528	440,120
Accruals	123,094	93,351	123,094	93,351
Grants payable	75,000	130,119	75,000	130,119
	<u>864,275</u>	<u>1,667,896</u>	<u>862,528</u>	<u>1,666,620</u>

10. DEFERRED INCOME

	Group & Charity	
	2015 £	2014 £
Balance as at 1 January 2015	896,852	1,043,400
Amount released to income	(1,080,862)	(285,592)
Amount deferred in year	210,590	139,044
Balance at 31 December 2015	<u>26,580</u>	<u>896,852</u>

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

11. RESTRICTED FUNDS	Balance at 1 January 2015 £	Incoming Resources £	Resources Expended £	Transfers £	Movement On Investments £	Balance at 31 December 2015 £
Catholic Youth Reserve	6,164	151	-	-	-	6,315
Diocesan Reserve	100,173	-	-	-	-	100,173
Day for Life	248,602	340,350	(344,779)	-	-	244,173
Priest's Training fund	77,559	200,000	(276,631)	-	-	928
Prison Chaplaincy project	4,356	43,136	(47,818)	326	-	-
Religious Restructuring project	461	-	-	-	-	461
World Communications Day	-	316,996	(316,996)	-	-	-
Safeguarding Reserve	-	118,525	(416,537)	298,012	-	-
Relics of St Therese	446	-	-	-	-	446
National Catholic safeguarding Commission	22,452	56,050	(51,546)	-	-	26,956
Lisbon fund	416,517	-	(21,249)	-	-	395,268
Faith in the Future	468,605	564,468	(360,534)	(154,902)	-	517,637
Home Mission	29,552	314,672	(148,345)	(5,362)	-	190,517
National Office for Vocations	-	31,686	(93,516)	61,830	-	-
Internships	-	26,379	(125,459)	99,080	-	-
Safeguarding as Ministry	2,410	-	-	-	-	2,410
The Art of Dying Well	-	150,000	(10,458)	-	-	139,542
General secretary's risk management fund	191,165	-	-	-	-	191,165
Ecumenical Instruments	1,000	-	(99,000)	100,000	-	2,000
Catholic Education Service	2,004,148	141,500	(738,766)	579,301	17,966	2,004,149
Blueprint for a better business	20,638	-	(20,735)	97	-	-
St Faustina Fund	30,000	27	(4,862)	-	-	25,165
Holy Land coordination	38,585	14,140	(9,577)	(4,000)	-	39,148
Human Trafficking/Santa Marta	5,761	93,051	(38,450)	-	-	60,362
Protecting Catholic Heritage	-	34,104	(34,308)	204	-	-
Other funds	1,577	-	-	-	-	1,577
Proclaim 2015	13,595	60,242	(79,199)	5,362	-	-
Racial Justice Sunday	-	53,109	-	-	-	53,109
Celebrating Family Fund	-	621,754	-	-	-	621,754
	<u>3,683,766</u>	<u>3,180,340</u>	<u>3,238,765</u>	<u>979,948</u>	<u>17,966</u>	<u>4,623,255</u>

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 Home Mission, Holy Land Coordination and Faith in the Future represent the allocation of funds to other project work.

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

11. RESTRICTED FUNDS (continued)

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.

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 project

This fund represents monies collected to support the post of the Catholic Bishops' Prison Adviser 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.

World Communications Day

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.

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.

National Catholic Safeguarding Commission

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

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.

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

11. RESTRICTED FUNDS (continued)

Home Mission

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.

Safeguarding as Ministry

This represents a fund used to support work on the production of a Care pathway for victims which responds appropriately and sensitively to their needs.

The Art of Dying Well

Art of Dying Well will be a website and digital space to help people in general prepare for a good death. It aims to be accessible to all, shaped by a Catholic understanding of life and death.

General Secretary's risk management fund

This fund represents a grant given to establish a fund to support all aspects of risk management, as judged by the President of the Bishops' Conference and the General Secretary.

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.

Catholic Education Service

This fund represents the assets and liabilities transferred to CaTEW on the winding up of the Catholic Education Service. The Resolution of Transfer stated that the assets and liabilities transferred were to be Restricted Funds, and used for educational purposes.

A blueprint for better business

Following a conference held in 2012, the Blueprint for Better Business initiative was established. The aim of the initiative is to rally business leaders to explore the business need for change and how a rediscovery of corporate purpose and a focus on personal values might best be brought together in the service of society. It also seeks to ask how a return to the universal moral principles advocated by religions of all kinds might contribute to reshape business in a practical way. During the year a separate charitable trust, the Blueprint Trust, was established to continue to support this initiative.

Celebrating Family Fund

This fund represents donations made to support both Diocesan projects and to develop internal capacity to support the pastoral care of Marriage and Family Life.

Other Restricted Funds

Other restricted funds consist of donations and other contributions for specific purposes other than those listed above.

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

12. DESIGNATED FUNDS	Balance at 1 January 2015 £	Incoming Resources £	Transfers/ Resources Expended £	Balance at 31 December 2015 £
Tangible fixed assets fund	4,290,304	28,109	(81,028)	4,237,385
Programme related investment fund	1,292,416	-	(64,000)	1,228,416
Property held for sale	16,000,000	-	(16,000,000)	-
Bishops' Initiative fund	21,767	-	(21,767)	-
Education fund	342,572	157,970	(82,625)	417,917
Secretariat fund	19,201	-	-	19,201
Vocations fund	60,000	-	(60,000)	-
Safeguarding fund	360,000	-	(360,000)	-
Communication fund	422,000	-	(422,000)	-
Catholic Students Chaplaincy fund	572,374	-	(572,374)	-
Strategic Investment fund	-	22,350,000	-	22,350,000
	<u>23,380,634</u>	<u>22,536,079</u>	<u>(17,663,794)</u>	<u>28,252,919</u>

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets held as part of the unrestricted funds. This fund is separated 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 programme related investments fund represents the value of programme related investments. This fund is separated from the general funds of the charity in recognition that they are not realisable with ease at their carrying value.

The Education Fund represents funds set aside for new initiatives and project work as required by the Catholic Education Service, following the transfer of assets and liabilities of this organisation into CaTEW.

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

West Heath Road Sale proceeds fund represents sales proceeds to be endowed and investments to generate an ongoing income stream to support the work of the Trust. The Bishops have decreed that the capital amount should be preserved and not expended.

13. ALLOCATION OF NET ASSETS

	Fixed Assets £	Investments £	Current Assets £	Current Liabilities £	31 December 2015 Total £
Restricted Funds	-	1,458,486	3,763,056	(598,287)	4,623,255
Designated Funds	4,237,385	1,228,416	22,787,118	-	28,252,919
Non Charitable trading funds	-	-	72,918	(34,986)	37,932
General Funds	-	3,959,405	507,604	(231,002)	4,236,007
Total Net Assets	<u>4,237,385</u>	<u>6,646,307</u>	<u>27,130,696</u>	<u>(864,275)</u>	<u>37,150,113</u>

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

14. TRADING SUBSIDIARY

During the period the Trust had one wholly owned active subsidiary company incorporated in England and Wales, Colloquium (CaTEW) Limited (company no: 04735081).

The results and assets and liabilities of the above company are reported within the financial statements.

A summary of the company's trading results and balance sheet is set out below:

Consolidated Profit and Loss Account	2015	2014
	£	£
TURNOVER	26,031	22,300
Cost of sales	-	-
GROSS PROFIT	26,031	22,300
Administrative expenses	(102)	(97)
	25,929	22,203
Amount gifted to the Charity	(25,929)	(22,203)
PROFIT AFTER TAXATION	-	-
Reserves brought forward	12,932	12,932
RESERVES CARRIED FORWARD	12,932	12,932
	2015	2014
	£	£
Balance Sheet		
CURRENT ASSETS		
Debtors	7,148	8,810
Cash at bank and in hand	65,770	59,997
	72,918	68,807
CREDITORS: Amounts falling due within one year	(34,986)	(30,875)
NET CURRENT ASSETS	37,932	37,932
NET ASSETS	37,932	37,932
Share capital	25,000	25,000
Reserves	12,932	12,932
SHAREHOLDERS' FUNDS	37,932	37,932

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

15. PRIOR YEAR COMPARATIVE SOFA

	Unrestricted Funds £	Restricted Funds £	Total 2014 £
Income and endowments from:			
Donations and Legacies	11,905	1,743,815	1,755,720
. Diocesan Assessments	2,450,949	55,050	2,505,999
Charitable activities	32,561	57,490	90,051
Other Trading activities	22,300		22,300
Investment income	293,935	51,884	345,819
Other income	6,856	188,037	194,893
Total	<u>2,818,506</u>	<u>2,096,276</u>	<u>4,914,782</u>
Expenditure on:			
Raising Funds	47,658	92,392	140,050
Charitable Activities	1,670,732	3,037,840	4,708,572
Total	<u>1,718,390</u>	<u>3,130,232</u>	<u>4,848,622</u>
Net (losses)/gains on investments	<u>14,016,286</u>	<u>(3,224)</u>	<u>14,013,062</u>
Net Income/(Expenditure) before transfers	15,116,402	(1,037,180)	14,079,222
Transfers between Funds	(1,028,398)	1,028,398	-
Net incoming/(outgoing) resources for the year	14,088,004	(8,782)	14,079,222
Fund balances brought forward	11,919,507	3,692,548	15,612,055
Fund balances carried forward	<u><u>26,007,511</u></u>	<u><u>3,683,766</u></u>	<u><u>29,691,277</u></u>

