

CATHOLIC TRUST FOR ENGLAND AND WALES

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

TRUSTEES' REPORT

AND

CONSOLIDATED FINANCIAL STATEMENTS

31 December 2016

haysmacintyre
Chartered Accountants
Registered Auditors

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CATHOLIC TRUST FOR ENGLAND AND WALES

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

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 2016. 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).

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.

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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.

The CES has represented the Bishops' education policy to the Government and continued to provide legal and public affairs support to the dioceses across England and Wales to support and safeguard Catholic schools, colleges and universities.

Representing the Bishops

The CES secured several important national safeguards for Catholic education in 2016:

- After a CES coordinated campaign which put pressure on Government officials, parliamentarians and Downing Street special advisers, the Prime Minister announced the removal of the 50% cap on faith-based admission for new Free Schools. This announcement means that Catholic dioceses will be able to open new Catholic schools for the first time in 6 years.
- The CES also finalised a Memorandum of Understanding between the CES and Department for Education. This sets out the basis of engagement between the Department for Education and Catholic Church and includes legal safeguards for Catholic schools and academies which give cause for concern.
- Working with Diocesan School Commissioners, we also have produced a Certificate of Catholic Practice. This ensures that the measures used to determine Catholic practice are the same across diocesan boundaries and that Parish Priests are rightly recognised as the authority to determine 'Catholicity'.
- The CES has worked closely with the Government to ensure that the GCSE and A Level Reforms are fit for purpose in Catholic schools – amending the exam specification, designing the curriculum content and producing text books and resources for several exam boards. This has increased academic rigour in RE GCSE and A Level and will ensure that Catholic schools can continue to teach RE in accordance with the Bishops' stipulations.
- The CES negotiated with Ofsted to ensure that the inspections in Catholic Sixth Form Colleges mirror those of Catholic Schools. This ensures that the Bishops' right to inspect RE, Collective worship and the Catholic life of the sixth form college is not undermined by Ofsted.

Catholic Education and Formation (continued)

Supporting Dioceses

The CES provided legal guidance and advice to dioceses throughout 2016. Training sessions were run for new DSCs on the legal position of Catholic schools and all the relevant CES legal guidance, CES policies and CES employment contracts which the dioceses use in their schools to safeguard the Catholic character. All these model documents were reviewed in 2016 so that they are fit for purpose. In times of crisis, the CES also supported dioceses and individual schools when there was media interest and possible reputational damage. Media training days were also offered to DSCs, so that they are equipped to support their schools in a media crisis.

At the request of the dioceses the CES has also increased its work on leadership and governance. In partnership with Future Leaders the CES has developed an Executive Headship Course which will run in 2017. The CES has also initiated the National Leadership Formation College which will provide training programmes for leaders in all Catholic schools. The CES continues to produce resources for governors to enhance their management of Catholic schools. In September 2016, in conjunction with the new Education Sunday, a Foundation Governor recruitment campaign was launched to address the shortage of Foundation Governors across the country.

Promoting Catholic Education

The CES continues to promote Catholic education to influence national debates and has contributed to numerous enquires and research reports into the purpose and quality of RE. This has ensured that the unique Catholic understanding of RE is always present in wider RE discussions.

Regular meetings are held with Ministers, Shadow Ministers and party political think-tanks to influence party political policies on education. Ahead of the 2016 Elections in Wales meetings were also held with all the major political parties to ensure that their Manifestos did not undermine Catholic education in Wales.

The CES Census had a 100% return rate for the third consecutive year. The accurate data enables us to demonstrate to Government and other bodies the diversity and inclusivity of Catholic schools. This data was particularly helpful in influencing the Casey Review, a Number 10 review into community cohesion in England. The Casey Review helpfully concluded that Catholic Schools contributed hugely to the creation of diverse and coherent local communities.

At the request of the Bishops, the CES has expanded its Catholic Teacher Voices programme. This has resulted in a range of expert Catholic teachers, leaders, Governments and Diocesan School Commissioners positively promoting Catholic education in the national media.

Support for Catholic schools

The CES finalised a collection of resources on Relationship and Sex Education. These resources have been developed using expertise of teachers who deliver RSE and PSHE in a Catholic context. The resources include guidance on writing a RSE policy and a model Catholic curriculum from EYFS to Sixth Form to ensure consistent pedagogical learning throughout all Catholic schools. Guidance for Catholic schools on the new requirement to teach British Values was also produced.

The CES continues to support Catholic Independent School through its relationship with Catholic Independent Schools Conference CISC and Catholic Sixth Form Colleges through ACVIC (Association of Catholic Sixth Form Colleges). The CES also has developed a Catholic Special Schools working group to identify further ways to support and enhance this unique sector.

Accountable to the Bishops

CES also worked with the international bodies CEEC, OIEC and JCCE to monitor developments likely to affect Catholic education across Europe and more widely. CES took an active part in the Cathedrals Group of Church universities and university colleges.

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Catholic Education and Formation (continued)

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.

NOV launched the National Vocations Framework approved in Autumn 2015 for implementation 2016 to 2019. Work for this focused around creating resources and training to enable a parish to celebrate a vocations week. This included market research provided pro bono and from that the creation of the Called Beyond project. This will be further developed and trialled in 2017.

2016 also saw World Youth Day in Krakow. NOV was tasked to support English and Welsh participation and helped 3,500 young people to participate alongside some 2 million others from around the world.

As well as support for national meetings of vocations personnel, training in vocational guidance also continued with a course in Salford.

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

The beginning of 2016 saw the continuing work on the new translations of rites for Marriage and Confirmation. Published at the end of 2015 they came into use at Easter 2016. This involved direct work with clergy in a number of dioceses. A particular point of discussion was weddings as a time of welcome. In a similar way free downloadable resources have been placed on the Liturgy Office website. These are aimed at both clergy and those seeking to get married in a Catholic Church. Among the resources are a guide to the scripture readings and templates for orders of service.

At a Department level work continues on the review of liturgical translations prepared for the Bishops' Conference by ICEL. These have included the Liturgy of the Hours and the Order of the Baptism of Children. The Liturgy Committee produced a document on the Place of Silence which considered the importance of quiet times and places in people's lives and how the liturgy can enhance this.

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 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 Taking Stock website has been completed which provides pictures and a description of every Catholic church in English dioceses. This is the fruit of a project with Historic England where all the churches of a diocese were reviewed and has led to the listing of a number of Catholic Churches. Work is also being done to roll out a common web portal for Historic Churches Committees.

The Spirituality Committee arranged to meet with representatives from each diocese. This is to develop the sharing of information and good practice across the country.

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; life issues and dignity of the person.

Marriage and family life

The Marriage Preparation Guidelines were published in December 2015 and to date nearly 2,000 copies have been sold. Caroline Dollard has delivered a good number of workshops at the request of dioceses to introduce these. Bishop Peter Doyle hosted his annual meeting with representatives of lay organisations, associations and movements involved in marriage and family life at the end of April 2016.

Work has commenced on the development of online formation modules for family ministry. These are aimed primarily at parish volunteers whose work impacts families but will also address the gap in awareness of church teaching on marriage and family life identified in the pre-synod consultations.

The annual residential meeting for diocesan coordinators of family ministry took place in September, with 19 dioceses represented. The agenda included a much-appreciated presentation by Dr Clare Watkins, setting *Amoris Laetitia* in context and exploring Chapter 8 in particular. Elizabeth Davies presented some of her doctoral research into the role of the diocesan coordinator of family ministry, highlighting that their job descriptions do not take account of their 'field hospital' work of fielding and redirecting queries on a wide range of family issues.

In preparation for the World Meeting of Families in Dublin in 2018, Project Office staff are in touch with the Irish Episcopal Conference and attended a launch event on 22 October in Dublin. The organisers are very keen that a good number of participants from England and Wales travel to the World Meeting in 2018.

The Department's Domestic Abuse Working Group is now chaired by Bishop John Sherrington. FAMILIAS, the Association of Diocesan Marriage and Family Ministry Coordinators, hosted four awareness-raising events in Clifton (9 May), Cardiff (10 May), Southwark (16 May) and Shrewsbury (13 June).

The support of marginalised and vulnerable people

This strategic aim is chiefly pursued through the Caritas Social Action Network, funded by the Conference and by fees paid by its member charities. Dr Phil McCarthy, a former GP, was appointed as Chief Executive in December 2015 following Helen O'Brien's retirement.

In January 2016 CSAN organised an Anglo-French parliamentary visit to the 'Jungle' camp in Calais, with partner organisation Secours Catholique. This was the first time that parliamentarians from both sides of the Channel had visited the camp together. CSAN has continued advocacy on a number of Bills currently progressing through parliament, including the Welfare Reform and Work Bill and the Immigration Bill 2015.

CSAN's media profile is growing swiftly. A new website and logo will be launched. The logo will clearly identify CSAN as a member of the Caritas family. CSAN continues to develop its membership network and has launched an audit of members social action work to support CSAN's advocacy efforts. Together with four member charities CSAN has been awarded a grant from Porticus to fund the Embrace project. This will create 16 pilots of a parish social action to respond to the needs of lonely and isolated older people. In September 2016 CSAN held a Caritas Diocesan Journey meeting involving representatives from 16 dioceses. A toolkit has been created to pass on learning from established diocesan Caritas organisations to new dioceses.

Christian Responsibility and Citizenship (continued)

The support of marginalised and vulnerable people (continued)

Following feedback from the Standing Committee CSAN is reviewing its values, vision and mission statements and membership structure and processes to ensure that they meet the requirements of the Motu Proprio On the Service of Charity.

CSAN has implemented a fundraising strategy to ensure its long term financial viability. This includes an Advent calendar initiative, applications to Trust funds, project funding and seeking to expand the membership. CSAN has also applied for an increase of £20,000 annually from the Conference to support the diocesan Caritas journey process as it expands. Mgr Roger Reader is continuing his excellent work in prison chaplaincy. Out of a prison population of 85,000 there are approximately 15,000 men, women and children registered as Catholic.

In the period April to November 2016 in co-operation with the local Bishop and the National Offender Management Service, 5 new Catholic chaplains were appointed, including one to the new prison to be opened in Wrexham early in 2017. The advertising of vacancies locally in parishes continues to be very useful. There is still a shortage of suitably qualified candidates, and there continues to be more posts available than we can fill.

"Belief and Belonging", the research commissioned by the CBCEW from Lemos and Crane about the needs of Catholic prisoners, was approved by the Ministry of Justice and launched in April 2016. This research has proved very useful in many ways, particularly in affirming chaplains in their work, but also in demonstrating the need for Catholic chaplains to senior management in prisons and in the political sphere. In partnership with Redemptorist Publishing a prison wide Catechetical Course "Inside Faith" was published on 10 October 2016. It is hoped that this will be used throughout the prison estate and will bring confidence and continuity in teaching and formation across the prison estate. The booklet "Morning and Evening Prayer for People in Prison" continues to be distributed, and is much appreciated.

To commemorate the Year of Mercy an Icon was commissioned, copies of which have been sent to all Catholic chaplains and small cards for all Catholic prisoners. The Jubilee for Prisoners was marked by visits from Bishops to prisons, diocesan celebrations and other events. A group of 17 chaplains went on pilgrimage to Rome in November 2016, led by Bishop Richard Moth.

In September the annual conference took place at St Mary's University Twickenham. 66 chaplains attended together with Bishop Richard Moth and R Patrick Cope from the Ministry of Justice. Cardinal Vincent Nichols gave the opening speech. He gave his support for the Ban the Box campaign, which helps the process by which former prisoners can apply for jobs by disclosing their criminal record only at the interview stage and not at the on-line application stage. There was an important dialogue between Canon John O'Toole from the CBCEW and The Ven Mike Kavanagh, Anglican Chaplain General, on good ecumenical working.

Mgr. Roger continues to attend diocesan meetings of chaplains. The main concern arising from diocesan meetings is still the impact of staff shortages in prisons, affecting time out of cell and access to Mass and chaplaincy activities. Mgr. Roger is working closely with the Order of Malta about establishing post release hostels for people who have been in prison. Mgr. Roger attended a very useful conference hosted by the CCEE in Strasbourg about Radicalisation in Prisons.

There continues to be a good relationship with NOMS HQ. Mgr. Roger regularly attends the Chaplaincy Council and meets with the Chaplain General, The Ven Mike Kavanagh, and also with Fr Patrick Cope, internal Ministry of Justice lead on Roman Catholic issues.

With the help of the public affairs team (Greg Pope and Liam Allmark), an excellent policy paper on penal reform "The Right Road" was produced, which builds on the Bishops' previous report "A Place of Redemption" and puts forward a number of practical policy changes which will help ameliorate the prison system.

Christian Responsibility and Citizenship (continued)

Life issues and the dignity of the person

Day for Life – the day in the Church’s year dedicated to celebrating the dignity of life – took place on 19 June 2016. The theme explored how the wonder of human life and God’s creation are intimately connected. There is a second collection in parishes to support Day for Life. Proceeds of the collection go to The Anscombe Bioethics Centre and other Church supported activities which promote and protect human life.

2017 marks the 50th anniversary of the passing of the Abortion Act. Focus group research has been undertaken and the report of the results of this on ‘Attitudes to Abortion’ has been circulated to all Bishops. This research was discussed at the plenary meeting of the Bishops in November 2016.

The Art of Dying Well, led by Bishop Sherrington, was launched on 1 November 2016. The Art of Dying Well is a digital resource to help people prepare for a good death. It aims to be accessible to all; underpinned by a Catholic understanding of life and death. The launch received wide coverage across mainstream and Catholic media. A significant donation was made to the project by a single donor, for which there is a core working group whose members include a palliative care consultant, hospital chaplain, historian and staff from the Bishops’ Conference. Digital content specialists also bring their expertise to the project. Planning for the second phase of the project is now taking place.

Bishop Paul Mason has been appointed as the new episcopal lead for the Health and Social Care Advisory Group. The next phase of work for the group is under review.

The Mental Health Project’s Residential Retreat for those involved in mental health pastoral care, led by Bishop Richard Moth, was held at Douai Abbey – 11-13 October, 2016. It was fully booked and well received with very positive feedback. The dates for 2017 are 18 – 20 July at Douai Abbey.

The Mental Health Project organised a conference in partnership with St Mary’s University called “Attentiveness of the Heart: Mental Well-Being, Spirituality and Young People”, held in November 2016. Guest speakers included Baroness Sheila Hollins, Caroline Bennett, Dr Humphrey James, Dr Rosemary Keenan, Junior Lynch, Dr Trevor Stammers, Dr Fiona Wilson. There were about 50 delegates.

The Mental Health Project website has been fully updated and the opportunity has been taken to change the name to ‘Catholic Mental Health Project’. There are resources, links, 99 helplines and diocese contacts to help find mental health pastoral care. Please visit it on <http://www.catholicmentalhealthproject.org.uk/>

Other areas of work

The Parliamentary and Public Affairs Team participated in the Keep Sunday Special campaign to help mobilise opposition to the Government’s amendments to the Enterprise Bill to devolve power to local authorities to give them the power to extend Sunday trading hours. This Government amendment was defeated in the House of Commons on Wednesday 9 March 2016 by 317 votes to 286.

Nine new Catholic Parliamentary and Public Policy Interns were selected over a two day selection process held in March 2016.

The Public Affairs team of Greg Pope and Liam Allmark offer very helpful support to the work of the department across a number of topics. They also work closely with CSAN to ensure good co-ordination of work. The Bishops have asked them to bring together a number of discrete areas of action under a heading of the Dignity of Work. This will aim to improve links with unions; positively influence employment bills; promote Ban the Box/proactive employment of people who have been in prison; promote employment rights of asylum seekers; support employment protections post-Brexit. Bishop Nicholas Hudson is leading the work on Brexit, supported by Greg Pope. Scoping work has been done on the implications for the Church and the wider community.

Christian Responsibility and Citizenship (continued)

Other areas of work (continued)

Charles Wookey, the Secretary of the Department, has left the employment of the Bishops' Conference to be the full-time CEO of A Blueprint for Better Business. Greg Pope has been appointed as the new Secretary for the Department of Christian Responsibility and Citizenship, commencing 1 March 2017.

Dialogue and Unity

The Department's priorities for 2016 were as follows:

- Continuing to support the work being done at diocesan level by diocesan/county ecumenical and inter-religious co-ordinators by offering advice, courses (e.g. Understanding Islam) and resources.
- Assisting and resourcing the existing four ecumenical bilateral dialogues (with the Anglicans, Methodists, United Reformed Church and the Byzantine Orthodox) and with two new dialogues (one with the Oriental Orthodox and the other as a Courtyard of the Gentiles dialogue with culture and especially with non-believers).
- Continuing to contribute 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 diocesan/county ecumenical officers, working collaboratively with the denominational National Ecumenical Officers and being actively involved with meetings of the CTE Enabling Group and Forum as well as with the CTBI Faith and Order Group.
- Representing the Bishops' Conference at the Church of England General Synod and the Methodist Conference and at other major ecumenical events and celebrations (e.g. for the visit of the relics of St Thomas Becket).

The Department works closely with its sister Departments to affirm and support the pastoral and evangelistic work being carried out at diocesan level 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 monthly cross-departmental meetings help facilitate communication and networking between the Departments.

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 other 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

Due to changes in staffing, the main focus of the Department's work has been to revisit the make-up and accountability of the Department. After lengthy discussion and consultation it was decided that rather than the Department being made up of one person under the direction of the Department of Communication, it would have its own part-time Secretary who would have oversight of the Department and the new full-time Home Mission Officer. After due process, both of these started work on 1 November 2016.

Prior to the appointment of the new Department Secretary and Home Mission Officer, the day to day functioning of the Department was taken on for one day a week by a member of another department. Their work included:

Evangelisation and Catechesis (continued)

- the development and management of the St Faustina Fund. This is based on a specific donation, the intention of which being to give local evangelistic activities a secure financial platform from where to start;
- developing connections with the new movements and communities within the Catholic Church, many of which have great experience in evangelisation and catechesis;
- producing and circulating a variety of material for Home Mission Sunday, encouraging the Church in England and Wales to pray for and support the work of evangelisation and catechesis nationally.

Each of these initiatives support CaTEW's objectives by encouraging the Church in England and Wales to grow in personal and corporate discipleship, enabling them to have greater confidence as witnesses to their faith in the love of Jesus Christ in word and action. These objectives support and resource those with diocesan responsibility and those working at parish and community level.

The impact of the Department is hard to measure, as in forming disciples each person and each community has to be journeyed with at their own pace. The work of the Department was instrumental in supporting diocesan representatives for evangelisation and catechesis, giving them greater confidence in reaching out to the parishes they serve. Through the development of the St Faustina Fund several parishes instigated evangelistic initiatives that may have been impossible for them otherwise. The fruit of such work is the formation of individuals and local communities as places of welcome, from which the love of God is shared to the wider community. Ultimately, this brings greater love, respect, understanding and generosity of spirit to the wider communities in which they are situated.

International Affairs

The work of the International Affairs Department is an expression of solidarity from the Church in England and Wales with those suffering injustice and poverty. In addition to its continuing work on religious freedom and human rights in the Middle East and Africa, much of the Department's emphasis in the last year has focussed on the broad area of migration through its Office for Migration Policy (OMP).

A particular focus has been on the Vulnerable Persons' Relocation Scheme (VPRS), which is the official gateway for Syrian refugees to enter the UK. The government has committed to receiving 20,000 people over five years of which around 5,000 have arrived. The Office for Migration Policy (OMP), led by Bishop Paul McAleenan and Cecilia Taylor-Camara, has worked closely with government since the VPRS was introduced on the Community Sponsorship element, in which private groups are allowed to welcome eligible refugees. The first family from Syria has been now settled under Community Sponsorship in Salford diocese at St Monica's parish, through the pioneering work of Salford Caritas. St Monica's generosity is an example of what can be achieved and other dioceses are now looking to replicate it. The OMP's Migration Forum has created a working group on the VPRS that is sharing information with interested dioceses and groups about how to participate successfully in the scheme, as well advocating for the VPRS to be extended once the initial intake of 20,000 people has been met. The OMP has also been engaged in trying to persuade government to find ways to meet the grave problem of unaccompanied children who have fled Syria and other conflict zones, after the closure of the provisions made possible by the Dubs Amendment. The government has now created the Vulnerable Children's Resettlement Scheme to address this but, as of now, it is unclear how effectively this will operate.

Human trafficking is another important element of the Department's activities and this is conducted through the [Santa Marta Group](#), which brings together bishops and police chiefs in an alliance to combat modern slavery. The Santa Marta Group benefits society through identifying, rescuing and caring for victims of human slavery internationally and in Britain. Much of Santa Marta's work in the last year has been on building its international network especially in Southern Africa and Latin America, something seen at the expanded international conference in Rome at which Pope Francis met with Santa Marta members, as well as improving collaboration between dioceses and local police forces in England and Wales. The opening of the Santa Marta Group-inspired Centre for the Study of Modern Slavery at St Mary's University in London is an exciting opportunity to improve the applied research necessary to identify victims and patterns of trafficking and it is intended that the Centre will work closely with Santa Marta and especially Bakhita House, the care facility provided by the Archdiocese of Westminster.

Catholic Safeguarding Advisory Service (CSAS)

The Catholic Safeguarding Advisory Service (CSAS) is responsible for driving and supporting improvements in practice. The primary role of CSAS is one of co-ordination, advice and support to the Catholic Church in England and Wales in respect of safeguarding children, young people and adults at risk.

Recommendation 16 of the Cumberlege Commission report 'Safeguarding with Confidence' (2007), sets out the responsibilities of CSAS which include:

- Provision of advice to the Church about safeguarding issues;
- Overseeing and co-ordinating safeguarding training within the Church;
- Policy development and review;
- Coordination of investigations and reviews; and
- Being the point of liaison with other national stakeholders concerned with safeguarding.

CSAS is also the Registered Body with the Disclosure and Barring Service for the processing of DBS Disclosures within the Catholic Church in England and Wales.

Provision of advice and support

CSAS provides support and advice on a daily basis to a wide range of members of the Catholic Church. This includes: Religious Congregations and Orders, diocesan offices, Catholic organisations, members of the public, other faith organisations and professionals. Advice might relate to specific cases, safer recruitment and DBS processing, the application of policy and procedure or general safeguarding matters.

Increasingly, support and advice has been given to Catholic organisations about safer recruitment processes and translating national safeguarding policy and procedure into local practices for hosting safer events such as retreats and pilgrimages.

Oversight and co-ordination of safeguarding training within the Church

The National Safeguarding Training Programme continues to be rolled out, with the expectation that it is undertaken by all clergy and safeguarding representatives.

The Seminary Safeguarding Curriculum continues to be implemented across the six seminaries, co-delivered by Safeguarding Co-ordinators and a member of clergy within the seminary. During 2017, CSAS will work with seminary Rectors and those delivering the training to develop a model for evaluation.

As at 31 December 2016, the Safeguarding E-Learning package had an average of 4,339 registrations for each of the following modules: Child Protection, Child Protection in Education, Child Exploitation & Online Safety, Child Protection refresher, Safeguarding Adults and Mental Capacity. CSAS continues to encourage take-up and completion of the modules across dioceses and religious orders.

Policy Development and Review

In November 2016 the Catholic Bishops of England and Wales approved the revisions to a suite of policies and procedures relating to the management of allegations, action to be taken when statutory processes have concluded but concerns remain and the management of risk using Safeguarding Plans. A range of supporting information, guidance and standards has also been developed. The new policies and procedures have been uploaded to the policy and procedure website (hosted by Tri-x). The procedures in relation to testimonials of suitability and the commissioning of independent investigators and risk assessors is underway, as is a review of all of our policies and procedures that relate to creating a safer environment within the Catholic Church in England and Wales.

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Catholic Safeguarding Advisory Service (CSAS) (continued)

Coordination of investigations and reviews

The Preliminary Enquiry Protocol and National Review Procedures have been reviewed and are incorporated into the overall policy and procedure concerning the management of allegations and concerns within the Catholic Church in England and Wales. CSAS is working ecumenically with other Christian denominations on the review and development of a framework for reviews and investigators that can be commissioned when required.

Quality assurance

Audits have been undertaken in one diocese and with three religious safeguarding commissions. Three of the four reports have been presented and accepted by the respective commissions. In each audit, there was evidence of good casework practice, implementation of national policies and procedures and good inter-agency representation on the commissions bringing a wealth of experience and knowledge from health, social care, probation and police services. Lay membership on the commissions was also well evidenced.

CSAS has been leading on the development of a quality assurance framework for use both with and by safeguarding commissions that prioritises six key areas:

- 1) Prevention of harm and promotion of wellbeing – Creating safer environments, communications, safer recruitment, movement of clergy and religious
- 2) Management of Safeguarding Concerns & Allegations
- 3) Risk Identification, Assessment and Management
- 4) Response of the Church to Survivors, Victims and others affected by abuse within the Church
- 5) Management and care of individuals accused or convicted of abuse
- 6) Supervision & Support of Safeguarding Roles

DBS and Ebulk

During 2016 CSAS, and its agents across the dioceses and religious congregations in England and Wales, processed 14,909 DBS Disclosure applications. This is a 16% increase on the number processed during 2015. Ebulk is now in use across all dioceses and Care Homes.

During 2017, CSAS is planning to audit safeguarding offices in respect of DBS processes including ID verification, eligibility decision making and compliance with the DBS Code of Practice (2016).

The Independent Inquiry into Child Sexual Abuse

As one of a number of non-statutory institutions subject to this Inquiry, a significant amount of CSAS' time and resources has been put into responding to requests for information from the Inquiry including the provision of policies and procedures, data used for annual report and case records. CSAS has collated and aggregated 45 years worth of data from dioceses and religious orders which is being independently analysed with a view to publication later this year.

Study days for Church Leaders

The Chair of the NCSC and the Director of CSAS delivered a study day focusing on adults at risk for Bishops during November 2016. A similar event is planned for Religious Leaders during June 2016.

Catholic Communications Network

CCN is the media office of the Bishops' Conference of England and Wales, providing a professional news service to the Church and to the world. CCN promotes the Gospel through the mass media and increasingly directly through its digital platforms. Working with journalists across both national and international media outlets, CCN promotes the work of the Bishops, using the latest communication developments and focusing on current issues to develop the profile of the Church and its teaching. CCN also provides extensive advice and media support to the Bishops and Religious Orders on safeguarding issues to promote a safer Church and the care of vulnerable people. In 2016, CCN supported the Bishops across the full range of their work in a year, declared a Jubilee Year of Mercy by Pope Francis, which also saw World Youth Day in Krakow, the largest youth gathering in the world.

Highlights of the work of CCN during 2016 included:

Amoris Laetitia

Amoris Laetitia was promoted through the mainstream and Catholic media – through the website and by interviews with the Cardinal and Bishop Peter Doyle. This assisted the Bishops in promoting the Catholic understanding of marriage, while also offering general Catechism to Catholics, and also helped to promote the institution of marriage and families as a building block for a stable and flourishing society.

World Youth Day Communications Officer Training Programme

The CCN trained over 60 young people from across the Dioceses of England & Wales to communicate effectively the experience of World Youth Day in Krakow 2016. This training provided a deeper knowledge of the content of World Youth Day and the skills to be able to communicate this, especially on social media. The CCN also provided content for Diocesan websites and newspapers, local and national media outlets with the dynamic voice of young Catholics directly from the largest youth event in the world.

World Communications Day

World Communications Day represents an opportunity to connect with media professionals, acknowledge their important work and collaboration with the Bishops. A mandatory national collection is taken on this day, the proceeds of which are used to finance the work of the CCN.

Briefings for Journalists

The CCN organised a series of short breakfast briefings for Journalists on key issues. This allows the initiatives and projects of the Bishops' Conference to be understood by journalists and results in good national newspaper and online coverage of those projects the Bishops wish to promote.

Media Training for Bishops

All newly-appointed bishops, and others when required as well as Catholic specialists continued to be provided with bespoke media training. This training helps the bishops hone their messages and gain confidence in communicating clearly through the media. The media frequently request comments from Bishops and this training enables CCN to offer more media-friendly bishops for interview or comment.

News bulletins

CCN provides a twice-daily newsletter each, along with extensive media monitoring with articles which are relevant and topical to the Church's witness. These services enable the Bishops and the Church to discern and accompany more effectively in wider society.

Catholics in Media Group

CCN organises and provides an informal "Support" group for professional Catholic media practitioners: producers, news readers, journalists and other media professionals. This helps to support the faith of Catholics who work in the media, networking with fellow Catholics in an often challenging environment.

Fundraising activities

Faith in the Future, the Trust's fundraising initiative, has continued its work throughout 2016 and during this year raised £146,716, along with an additional £60,098 for other restricted projects, resulting in a total of £206,814 against a target of £194,000. In addition, funds were raised during the year to support the activities of the Santa Marta Group.

FINANCIAL REVIEW

Income and Expenditure

In 2016 the income of the Trust from all sources was £6,049,966 (2015: £12,264,111). 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 to provide funding to the Catholic Agency to support Racial Justice).

Other income is derived from investments, grants and property.

Total expenditure for the year was £5,134,240 (2015: £4,767,902). 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 20. A detailed analysis of the results is provided on pages 26 to 41. The net movement in funds for the year was a surplus of £4,098,265 (2015 - £7,458,836).

The balance sheet shows total reserves of £41,248,378. Restricted funds of £5,271,495 represent unexpended balances held on trust to be applied for specific purposes. A further £31,409,572 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 £4,173,730 which represents the net book value of the charity's tangible fixed assets, £1,217,416 which represents the value of the programme related investments, £25,513,706 which represents sales proceeds from the sale of investment property along with gains on these funds, which have been invested in order to generate income in order to sustain the core work and activities of the Charity, and £504,720 which represents funds set aside for new initiatives and expansion of the Catholic Education Service. In addition £37,932 represents funds invested in the charity's trading subsidiary. The remaining funds amounting to £4,529,379 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.

FINANCIAL REVIEW (continued)

Investment policy (continued)

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.

During the year, the trustees' appointed two new Investment Managers: Charles Stanley and Ruffer LLP. The proceeds from the sale of the West Heath property have been split and invested with these investment managers, along with other investment funds previously held elsewhere.

In aggregate, the portfolios achieved an average income yield of 1% in 2016 which is due to the fact that funds were invested part way through the year, and significant unrealised gains have been recorded on the portfolios at the year end date.

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 £5,000,000 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.

The value of CaTEW's free reserves at 31 December 2016, following principles established by the Charity Commission, was £4,529,379 or ten months of expenditure. The trustees are of the opinion that these reserve levels are adequate given expenditure plans for 2017.

Future Plans

Now that the West Heath Road property has been sold, the sale 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 underway, 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 17 of this report, and is supervised through the constituent Board meetings.

Risk assessment

The trustees annually assess the major risks to which the charity is exposed, in particular those relating to specific operational areas of the charity, its investments and its finances by identifying and ranking risks in terms of their potential impact and likelihood.

One of the primary risks identified in 2016 was the operational impact the Independent Inquiry into Child Sexual Abuse will have on the organisation due to increases in staff workloads and financially due to potential increases in staffing level and inevitable legal representation costs. Legal counsel has been sought to advise the General Secretary as our involvement throughout the inquiry progresses.

Concerns were noted regarding the level of maintenance work required to the Eccleston Square property. An external surveyor has visited the property and provided a schedule of works required. The level of work required could have significant financial consequences. It has been agreed that the senior operational team will lead on any repairs required and liaise closely to manage both the financial and operational impact of any work carried out, and that work required will have to be prioritised due to budgetary constraints. An external surveyor will also be liaising with contractors to ensure the quality of any work carried out.

The governance review being carried out by the Kinharvie Institute poses a risk to the organisation due to significant potential long term implications regarding the structures and finances of the organisation, which will be unknown until the review is complete and the report is produced. A staff feedback group has been set up to liaise with the Kinharvie institute to ensure that the interview stage of the process is effective and that staff are fully cooperative. This group will also be key in assisting with the implication of any recommendations.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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.

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 2016

REFERENCE AND ADMINISTRATIVE DETAILS

BOARD OF TRUSTEES

Most Rev Malcolm McMahon OP (Chair)	Mr Edward Nally	Rev David Roberts
Mr John Gibbs	Mgr John Nelson	Mrs Kathleen Smith
Mr Kees Kempenaar	Mr Nigel Newton	Ms Pauline Stuart
Mr Richard King	Mr Edward Poyser	Dr Elizabeth Walmsley
Mr William Moyes (resigned 6 July 2016)	Mr Michael Prior	Dr James Whiston

COMPANY AND GENERAL SECRETARY Rev Christopher Thomas

OPERATIONAL MANAGEMENT

Mrs Michaela Kelly	Head of HR
Mrs Sarah Pearson	Head of Finance
Ms Lorraine Welch	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 Ruffer LLP (from April 2016)
80 Victoria Street
London
SW1E 5JL

Charles Stanley (from May 2016)
25 Luke Street
London
EC2A 4AR

CATHOLIC TRUST FOR ENGLAND AND WALES

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

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 5th July.....2017 and signed on its behalf by:

+  or

Most Rev Malcolm McMahon OP

Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS & TRUSTEES OF CATHOLIC TRUST FOR ENGLAND AND WALES

FOR THE YEAR ENDED 31 DECEMBER 2016

We have audited the financial statements of the Catholic Trust for England and Wales for the year ended 31 December 2016 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 2016 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 matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

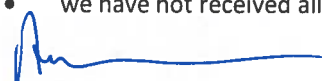
- The information given in the Trustees' Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Report (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

26 Red Lion Square
London WC1R 4AG

5 July 2017

CATHOLIC TRUST FOR ENGLAND AND WALES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Income and endowments from:					
Donations and legacies	1a	64,674	2,411,199	2,475,873	2,770,172
. Diocesan assessments	1b	2,658,089	97,050	2,755,139	2,538,711
Charitable activities	1c	42,086	85,016	127,102	177,210
Other trading activities		23,173	-	23,173	26,031
Investment income	1d	401,436	57,950	459,386	387,460
Other income	1e	23,177	186,116	209,293	6,364,527
Total		3,212,635	2,837,331	6,049,966	12,264,111
Expenditure on:					
Raising funds		128,893	55,738	184,631	153,488
Charitable activities		1,661,271	3,288,338	4,949,609	4,614,414
Total	2	1,790,164	3,344,076	5,134,240	4,767,902
Net gains/(losses) on investments	6a 6b	3,073,048	109,491	3,182,539	(37,373)
Net income/(expenditure) before transfers		4,495,519	(397,254)	4,098,265	7,458,836
Transfers between funds	11	(1,045,494)	1,045,494	-	-
Net income for the year		3,450,025	648,240	4,098,265	7,458,836
Fund balances brought forward		32,526,858	4,623,255	37,150,113	29,691,277
Fund balances carried forward		35,976,883	5,271,495	41,248,378	37,150,113

The notes form part of these accounts. Details of comparative figures by fund can be found in note 15.

CATHOLIC TRUST FOR ENGLAND AND WALES

BALANCE SHEETS

AS AT 31 DECEMBER 2016

	Notes	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
FIXED ASSETS					
Tangible assets	5	4,173,730	4,237,385	4,173,730	4,237,385
Investments					
. Listed investments and investment in subsidiary company	6	31,193,124	5,417,891	31,218,124	5,442,891
. Programme related investments	7	1,217,416	1,228,416	1,217,416	1,228,416
		<u>36,584,270</u>	<u>10,883,692</u>	<u>36,609,270</u>	<u>10,908,692</u>
CURRENT ASSETS					
Debtors	8	814,349	755,176	837,975	781,266
Cash at bank and in hand		5,094,096	26,375,520	5,030,792	26,309,758
		<u>5,908,445</u>	<u>27,130,696</u>	<u>5,868,767</u>	<u>27,091,024</u>
CURRENT LIABILITIES					
Creditors: Amounts falling due within one Year	9	<u>(1,244,337)</u>	<u>(864,275)</u>	<u>(1,242,591)</u>	<u>(862,528)</u>
NET CURRENT ASSETS		<u>4,664,108</u>	<u>26,266,421</u>	<u>4,626,176</u>	<u>26,228,496</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>41,248,378</u>	<u>37,150,113</u>	<u>41,235,446</u>	<u>37,137,188</u>
NET ASSETS		<u>41,248,378</u>	<u>37,150,113</u>	<u>41,235,446</u>	<u>37,137,188</u>
RESTRICTED FUNDS					
Restricted income funds	11	<u>5,271,495</u>	<u>4,623,255</u>	<u>5,271,495</u>	<u>4,623,255</u>
UNRESTRICTED FUNDS					
General funds		4,529,379	4,236,007	4,554,379	4,261,014
Designated funds	12	31,409,572	28,252,919	31,409,572	28,252,919
Non charitable trading funds		37,932	37,932	-	-
TOTAL RESERVES		<u>41,248,378</u>	<u>37,150,113</u>	<u>41,235,446</u>	<u>37,137,188</u>

Approved by the Trustees on 05/07/17 and signed on their behalf by:


Most Rev Malcolm McMahon OP

Trustee

The notes form part of these accounts.

Company registration number: 04734592

CATHOLIC TRUST FOR ENGLAND AND WALES

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £	2015 £
CASH FLOW STATEMENT		
Cash flows from operating activities:		
Net cash provided by operating activities: (see below)	365,474	195,479
Cash flows from investing activities:		
Dividends, interest and rents from investments	441,487	315,660
Purchase of property, plant and equipment	(5,843)	(28,109)
Proceeds from the sale of property, plant and equipment	-	22,146,190
Purchase of investments	(30,293,357)	(607,788)
Proceeds from sale of investments	8,199,815	630,045
Net cash provided by investing activities	(21,657,898)	22,455,998
Cash flows from financing activities:		
Repayments of borrowing	11,000	64,000
Net cash provided by financing activities	11,000	64,000
Change in cash & cash equivalents in the reporting period	(21,281,424)	22,715,477
Cash & cash equivalents at the beginning of the reporting period	26,375,520	3,660,043
Cash & cash equivalents at the end of the reporting period	5,094,096	26,375,520
Reconciliation of net income to cash inflow/(outflow) from operating activities		
Net income for the reporting period (as per SOFA)	4,098,265	7,458,836
Adjustments for:		
Depreciation charges	69,498	81,028
Gains/(losses) on investments	(3,681,690)	37,373
Dividends, interest & rents from investments	(441,487)	(315,660)
Increase in debtors	(59,174)	(116,287)
Increase/(decrease) in creditors	380,062	(803,621)
Net cash provided by operating activities	365,474	195,479

ANALYSIS OF CHANGES IN CASH IN HAND AND AT BANK

	1 January 2016 £	Cash Flows £	31 December 2016 £
Cash in hand and at bank	26,375,520	(21,281,424)	5,094,096

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice "Accounting by Charities" SORP 2015 and the Companies Act 2006. 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 Charity 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.

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

Income is included in the Statement of Financial Activities on the basis of the amounts receivable for the year and expenditure is included on the basis of the amounts payable for work done and services provided in the year.

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.

f) Income and Expenditure (continued)

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 straight line 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).

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.

p) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1a. DONATIONS AND LEGACIES

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
Donations	21,236	2,171,664	2,192,900	2,525,349
Legacies	43,438	37,500	80,938	39,219
Grants receivable	-	202,035	202,035	205,604
	<u>64,674</u>	<u>2,411,199</u>	<u>2,475,873</u>	<u>2,770,172</u>

1b. DIOCESAN ASSESSMENTS

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
Arundel and Brighton	135,397	5,388	140,785	124,700
Birmingham	211,863	6,658	218,521	222,453
Brentwood	137,904	5,249	143,153	129,379
Cardiff	72,417	2,796	75,213	54,568
Clifton	100,221	4,122	104,343	80,752
East Anglia	55,822	2,422	58,244	42,183
Hallam	48,896	1,690	50,586	38,303
Hexham and Newcastle	148,610	5,111	153,721	158,907
Lancaster	69,326	2,359	71,685	67,453
Leeds	108,982	4,026	113,008	114,060
Liverpool	190,849	5,602	196,451	204,835
Menevia	6,118	19	6,137	5,447
Middlesbrough	54,703	1,963	56,666	48,001
Northampton	72,236	2,784	75,020	74,563
Nottingham	102,337	3,821	106,158	99,208
Plymouth	66,987	3,013	70,000	48,978
Portsmouth	112,609	4,408	117,017	116,458
Salford	176,927	5,286	182,213	194,424
Shrewsbury	157,185	6,121	163,306	126,033
Southwark	241,351	9,039	250,390	220,205
Westminster	374,266	14,980	389,246	355,250
Wrexham	8,583	193	8,776	8,051
Contribution from Bishopric of the Forces	4,500	-	4,500	4,500
	<u>2,658,089</u>	<u>97,050</u>	<u>2,755,139</u>	<u>2,538,711</u>

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1c. CHARITABLE ACTIVITIES

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
Conferencing income	42,086	85,016	127,102	177,210
	<u>42,086</u>	<u>85,016</u>	<u>127,102</u>	<u>177,210</u>

1d. INVESTMENT INCOME

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
Arising on quoted investments:				
Dividends	182,276	47,364	229,640	138,605
Fixed Interest	99,425	10,088	109,513	43,123
	<u>281,701</u>	<u>57,452</u>	<u>339,153</u>	<u>181,728</u>
Rental income	71,800	-	71,800	71,800
Rental income from investment properties	25,000	-	25,000	122,089
Bank interest	22,935	498	23,433	11,843
	<u>401,436</u>	<u>57,950</u>	<u>459,386</u>	<u>387,460</u>

1e. OTHER INCOME

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
Other income	23,177	186,116	209,293	218,337
Gain on sale of property	-	-	-	6,146,190
	<u>23,177</u>	<u>186,116</u>	<u>209,293</u>	<u>6,364,527</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 2016

2a.

	Direct Personnel		Unrestricted		Restricted		Allocated Support (2b.)	Total 2016	Total 2015
	£	£	Direct Other	Direct Grant making (3)	Direct Other	Direct Grant making (3)			
Charitable Activities									
Bishops' meetings, general activities and grant making	-	296,398	160,311	-	-	-	-	499,656	537,432
Catholic Education and Formation	8,351	18,272	-	42,947	72,320	-	-	174,892	139,402
Catholic Education Service	-	-	-	30,957	189,074	-	-	1,066,951	887,621
Christian Life and Worship	43,572	28,546	-	194,838	-	-	-	87,644	87,870
Christian Responsibility and Citizenship	77,086	29,690	-	15,526	-	-	-	618,928	692,742
Public Policy	97,811	10,083	-	43,468	178,203	22,866	-	131,141	-
Dialogue and Unity	21,861	56,977	-	23,247	-	-	-	192,307	130,552
Evangelisation and Catechesis	-	3,640	-	14,469	99,000	-	-	4,167	662
International Affairs	161,104	50,340	-	527	-	-	-	256,040	236,112
Catholic Communications Network	-	-	-	44,596	-	-	-	475,556	481,921
Catholic Safeguarding Advisory Service	-	-	-	-	79,089	-	87,406	365,202	497,922
Celebrating family fund project	-	-	-	66,569	107,284	-	-	203,002	233,362
Priests' training	-	-	-	16,196	27,739	62,500	-	200,000	276,631
Prison Chaplaincy project	-	-	-	-	-	200,000	-	47,254	55,100
Protecting Catholic Heritage	-	-	-	7,191	40,063	-	-	37,832	41,792
Art of Dying well	-	-	-	5,757	1,733	-	-	143,291	-
Proclaim 2015	-	-	-	21,805	121,486	-	-	-	91,252
Human Trafficking/Santa Marta Group	-	-	-	-	-	-	-	142,655	44,302
National Catholic Safeguarding Commission	-	-	-	21,708	120,947	-	-	94,842	59,392
ILCSA	-	-	-	15,738	79,104	-	-	180,327	-
Other projects	-	-	-	27,441	152,886	-	-	27,922	120,310
	-	-	-	4,249	22,878	795	-	-	-
Raising Funds	409,785	493,946	160,311	597,229	1,291,806	483,499	110,272	4,949,609	4,614,412
Subsidiaries	-	349	-	-	-	-	-	349	102
Fundraising	-	-	-	10,411	12,620	-	-	66,148	126,472
Investment management fees	-	118,134	-	-	-	-	-	118,134	26,912
	-	118,483	-	10,411	12,620	-	-	184,631	153,482
Total expenditure	409,785	612,429	160,311	607,640	1,304,426	483,499	110,272	5,134,240	4,767,902

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

2b. ALLOCATED SUPPORT COSTS

	Charitable activities £	Raising Funds £	Total 2016 £	Total 2015 £	
Staff costs	337,600	5,283	342,883	305,405	Pro rata basis
Premises costs	191,405	2,335	193,740	159,158	Head count
Other costs	178,496	2,793	181,289	135,031	Pro rata basis
	<u>707,501</u>	<u>10,411</u>	<u>717,912</u>	<u>599,594</u>	

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

		2016 £	2015 £
Support costs include:			
Auditor's remuneration -	Audit	15,720	15,300
	Other services	930	900
		<u>16,650</u>	<u>16,200</u>

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

3. ANALYSIS OF GRANT MAKING ACTIVITIES

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
National Board of Catholic Women	10,000	-	10,000	10,000
Turin Pilgrimage	2,000	-	2,000	-
National Conference of Priests	1,114	-	1,114	890
National Council Lay Association	7,000	-	7,000	7,000
Caritas Social Action Network	90,000	-	90,000	90,000
Lisbonian Society	4,600	-	4,600	4,149
Parliamentary Interns	-	44,237	44,237	41,257
<i>Day for Life</i>				
Anscombe Bioethics Centre	-	100,000	100,000	100,000
Joint Bio-ethics Committee	-	-	-	3,870
Other grants awarded	-	75,967	75,967	78,300
<i>Celebrating Family Fund grants</i>				
Diocese of Birmingham	-	12,500	12,500	-
Diocese of Brentwood	-	12,500	12,500	-
Diocese of Clifton	-	12,500	12,500	-
Diocese of East Anglia	-	12,500	12,500	-
Diocese of Shrewsbury	-	12,500	12,500	-
Diocese of Cardiff	-	-	-	12,500
Diocese of Westminster	-	-	-	12,500
Diocese of Wrexham	-	-	-	12,500
Diocese of Leeds	-	-	-	12,500
Diocese of Middlesbrough	-	-	-	12,500
Diocese of Plymouth	-	-	-	12,500
<i>Priests' Training and Formation grants</i>				
Ordinariate of Our Lady of Walsingham	-	20,000	20,000	79,881
Diocese of East Anglia	-	40,000	40,000	75,000
Diocese of Hallam	-	30,000	30,000	-
Diocese of Leeds	-	40,000	40,000	75,000
Diocese of Menevia	-	40,000	40,000	-
Diocese of Plymouth	-	30,000	30,000	-
St Wilfrid's York Oratory	-	-	-	20,000
Pontificio Collegio Beda	-	-	-	20,000
Walsingham Trust	-	-	-	6,750
<i>Grants from the St Faustina Fund</i>	-	795	795	4,862
Churches Legislation Advisory Service	19,495	-	19,495	19,300
CCEE	11,827	-	11,827	9,611
COMECE	14,275	-	14,275	13,030
	<u>160,311</u>	<u>483,499</u>	<u>643,810</u>	<u>733,900</u>

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

4. STAFF	2016 £	2015 £
Staff Costs:		
Wages and salaries	1,907,631	1,819,455
Social security	190,761	180,827
Pension costs	100,154	76,593
	<u>2,198,546</u>	<u>2,076,875</u>
 Number of Employees:	Number	Number
Secretariat Departments and Agencies – Average	59	56
	<u>59</u>	<u>56</u>
 Secretariat Departments and Agencies – Full Time Equivalent	48	47
	<u>48</u>	<u>47</u>

Termination payments of £16,092 (2015: £32,157) were paid to one (2015:one) employee 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:

	Number	Number
£60,000 - £70,000	2	2
£70,000 - £80,000	3	2
£80,000 - £90,000	1	1
	<u>6</u>	<u>5</u>

Employer contributions totalling £23,938 (2015 - £14,556) 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 (2015: nil). Travel expenses of £5,061 (2015: £3,182) were reimbursed to nine (2015: five) trustees during the year. No trustee received payment for professional or other services supplied to the charity (2015: £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 £167,297 during the year (2015: £165,639).

5. TANGIBLE FIXED ASSETS

Group & Charity	Freehold Buildings £	Furniture & Equipment £	Total £
COST OR VALUATION			
At beginning of the year	4,585,120	223,576	4,808,696
Additions	-	5,843	5,843
Disposals	-	(122,163)	(122,163)
At end of the year	4,585,120	107,256	4,692,376
DEPRECIATION			
At beginning of the year	399,041	172,270	571,311
Depreciation	41,942	27,556	69,498
Disposals	-	(122,163)	(122,163)
At end of the year	440,983	77,663	518,646
NET BOOK VALUE			
Net book value at beginning of the year	4,186,079	51,306	4,237,385
Net book value at end of the year	4,144,137	29,593	4,173,730

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	
	2016 £	2015 £	2016 £	2015 £
Listed Investments (note 6a)	31,193,124	5,417,891	31,193,124	5,417,891
Investment in subsidiary companies (note 14)	-	-	25,000	25,000
	31,193,124	5,417,891	31,218,124	5,442,891

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

6a. LISTED INVESTMENTS	2016	2015
	£	£
Market value at 1 January 2016	5,332,221	5,343,760
Additions	27,411,409	655,879
Disposals	(8,199,814)	(630,045)
Revaluation gains/(losses)	3,681,690	(37,373)
Market value at 31 December 2016	28,225,506	5,332,221
Cash held for reinvestment by investment managers	2,967,618	85,670
	<u>31,193,124</u>	<u>5,417,891</u>
Cost of listed investments at 31 December 2016	<u>25,073,823</u>	<u>4,169,401</u>
Investments at fair value comprised:		
Equities	18,631,800	4,285,107
Fixed interest	9,593,702	1,047,114
Cash	2,967,622	85,670
Total	<u>31,193,124</u>	<u>5,417,891</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).

6b. RECONCILIATION OF GAINS/(LOSSES) ON INVESTMENTS	Group & Charity	
	2016	2015
	£	£
Revaluation gains/(losses)	3,681,690	(37,373)
Gains/(losses) on forward contracts	(499,151)	-
Gains/(losses) on investments per SOFA	<u>3,182,539</u>	<u>(37,373)</u>

The above relates to gains and losses made on forward contracts in the year utilised to combat exchange rate fluctuations.

7. PROGRAMME RELATED INVESTMENTS	Group & Charity	
	2016	2015
	£	£
St Luke's Centre	1,000,000	1,000,000
Venerable English College, Rome	217,416	228,416
	<u>1,217,416</u>	<u>1,228,416</u>

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

7. PROGRAMME RELATED INVESTMENTS (continued)

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.

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 in 2015. The rate of repayment will be reviewed after 10 years and the loan is interest free.

8. DEBTORS

	Group		Charity	
	2016 £	2015 £	2016 £	2015 £
Prepayments and accrued income	687,540	663,462	687,540	663,462
Other debtors	126,809	91,714	120,050	84,564
Amounts due from subsidiary undertaking	-	-	30,385	33,240
	<u>814,349</u>	<u>755,176</u>	<u>837,975</u>	<u>781,266</u>

9. CREDITORS: amounts falling due within one year

	Group		Charity	
	2016 £	2015 £	2016 £	2015 £
Expense creditors	65,875	58,797	64,129	57,050
Social Security and other taxes	57,989	67,276	57,989	67,276
Deferred income (Note 10)	28,325	26,580	28,325	26,580
Other creditors	776,671	513,528	776,671	513,528
Accruals	315,477	123,094	315,477	123,094
Grants payable	-	75,000	-	75,000
	<u>1,244,337</u>	<u>864,275</u>	<u>1,242,591</u>	<u>862,528</u>

10. DEFERRED INCOME

	Group & Charity	
	2016 £	2015 £
Balance as at 1 January 2016	26,580	896,852
Amount released to income	(116,075)	(1,080,862)
Amount deferred in year	117,820	210,590
Balance at 31 December 2016	<u>28,325</u>	<u>26,580</u>

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

11. RESTRICTED FUNDS	Balance at 1 January 2016 £	Income £	Expenditure £	Transfers £	Movement on investments £	Balance at 31 December 2016 £
Catholic Youth Reserve	6,315	116	-	-	-	6,431
Diocesan Reserve	100,173	-	-	-	-	100,173
Day for Life	244,173	356,007	(311,800)	-	-	288,380
Priest's Training fund	928	200,000	(200,000)	-	-	928
Prison Chaplaincy project	-	29,734	(40,062)	10,328	-	-
Religious Restructuring project	461	-	-	-	-	461
World Communications Day	-	402,491	(360,957)	-	-	41,534
Safeguarding Reserve	-	108,102	(298,633)	190,531	-	-
Relics of St Therese	446	-	-	-	-	446
National Catholic safeguarding Commission	26,956	67,782	(79,104)	-	-	15,634
Lisbon fund	395,268	-	(9,563)	-	-	385,705
Faith in the Future	517,637	146,716	(55,737)	(121,884)	-	486,732
Home Mission	190,517	367,719	(114,601)	-	-	443,635
National Office for Vocations	-	25,136	(117,311)	92,175	-	-
Internships	-	35,000	(156,884)	121,884	-	-
Safeguarding as Ministry	2,410	-	(205)	-	-	2,205
The Art of Dying Well	139,542	98	(121,486)	-	-	18,154
General secretary's risk management fund	191,165	-	-	-	-	191,165
Ecumenical Instruments	2,000	-	(99,000)	100,000	-	3,000
Catholic Education Service	2,004,149	110,162	(872,113)	652,460	109,491	2,004,149
St Faustina Fund	25,165	-	(795)	-	-	24,370
Holy Land coordination	39,148	9,631	(13,110)	-	-	35,669
Santa Marta Group Protecting Catholic Heritage	60,362	354,993	(120,948)	-	-	294,407
Other funds	1,577	-	-	-	-	1,577
Catholic Council for the Independent Inquiry into Child Sexual Abuse (CCIICSA)	-	500,000	(152,886)	-	-	347,114
Racial Justice Sunday	53,109	33,045	-	-	-	86,154
Celebrating Family Fund	621,754	10,599	(186,806)	-	-	445,547
	<u>4,623,255</u>	<u>2,837,331</u>	<u>(3,344,076)</u>	<u>1,045,494</u>	<u>109,491</u>	<u>5,271,495</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 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 2016

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.

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.

St Faustina Fund

This represents a donation received which enables small grants to be made at a local parish level to support, enable, and encourage evangelisation outreach projects.

Holy Land Coordination

Annually, The Bishops' Conference of England and Wales with the support of CCEE organises a delegation of bishops from Europe, North America and South Africa (called **Holy Land Co-ordination**) and undertakes a visit to the Holy Land to witness to the Church's concern for the Christian communities and the Assembly of Catholic bishops in the Holy Land.

Protecting Catholic Heritage

This fund represents income received and expenditure incurred to support the work of the Protecting Catholic Heritage Support Officer role. This role was established to help church bodies develop their capacity and to assist them in obtaining grant funding available for historic churches.

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

11. RESTRICTED FUNDS (continued)

Catholic Council for the Independent Inquiry into Child Sexual Abuse (CCIICSA)

This fund represents support to the Church's response to the Independent Inquiry on Child Sexual Abuse, being chaired by Prof Alex Jay.

Racial Justice Sunday

Each year, the Catholic Church in England and Wales celebrates Racial Justice Sunday and a national collection is taken, the proceeds of which will be used to raise awareness of the responsibility of the church to eradicate racial discrimination in all its forms within the church and wider society.

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.

12. DESIGNATED FUNDS	Balance at 1 January 2016 £	Income £	Transfers/ Expenditure £	Balance at 31 December 2016 £
Tangible fixed assets fund	4,237,385	5,843	(69,498)	4,173,730
Programme related investment fund	1,228,416	-	(11,000)	1,217,416
Education fund	417,917	157,970	(71,167)	504,720
Secretariat fund	19,201	-	(19,201)	-
Strategic Investment fund	22,350,000	3,163,706	-	25,513,706
	<u>28,252,919</u>	<u>3,327,519</u>	<u>(170,866)</u>	<u>31,409,572</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.

The Strategic Investment Fund represents money invested to generate an ongoing income stream to in order to sustain the core work and activities of the Charity. The Bishops have decreed that the capital amount should be preserved and not expended.

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

13. ALLOCATION OF NET ASSETS

	Fixed Assets £	Investments £	Current Assets £	Current Liabilities £	Total 31 December 2016 £
Restricted Funds	-	2,199,070	3,312,003	(239,578)	5,271,495
Designated Funds	4,173,730	27,235,842	-	-	31,409,572
Non Charitable trading funds	-	-	70,063	(32,131)	37,932
General Funds	-	2,975,628	2,526,379	(972,628)	4,529,379
Total Net Assets	4,173,730	32,410,540	5,908,445	(1,244,337)	41,248,378

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	2016 £	2015 £
TURNOVER	23,173	26,031
Cost of sales	-	-
GROSS PROFIT	23,173	26,031
Administrative expenses	(349)	(102)
	22,824	25,929
Amount gifted to the Charity	(22,824)	(25,929)
PROFIT AFTER TAXATION	-	-
Reserves brought forward	12,932	12,932
RESERVES CARRIED FORWARD	12,932	12,932

CATHOLIC TRUST FOR ENGLAND AND WALES

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

14. TRADING SUBSIDIARY (continued)

	2016 £	2015 £
Balance Sheet		
CURRENT ASSETS		
Debtors	6,759	7,148
Cash at bank and in hand	63,304	65,770
	<u>70,063</u>	<u>72,918</u>
CREDITORS: Amounts falling due within one year	(32,131)	(34,986)
	<u>37,932</u>	<u>37,932</u>
NET CURRENT ASSETS		
	<u>37,932</u>	<u>37,932</u>
NET ASSETS		
	<u>37,932</u>	<u>37,932</u>
Share capital	25,000	25,000
Reserves	12,932	12,932
	<u>37,932</u>	<u>37,932</u>
SHAREHOLDERS' FUNDS		
	<u>37,932</u>	<u>37,932</u>

15. PRIOR YEAR COMPARATIVE SOFA

	Unrestricted Funds £	Restricted Funds £	Total 2015 £
Income and endowments from:			
Donations and Legacies	17,855	2,752,317	2,770,172
Diocesan assessments	2,453,661	85,050	2,538,711
Charitable activities	73,887	103,323	177,210
Other trading activities	26,031	-	26,031
Investment income	335,462	51,998	387,460
Other income	6,176,875	187,652	6,364,527
Total	<u>9,083,771</u>	<u>3,180,340</u>	<u>12,264,111</u>
Expenditure on:			
Raising funds	45,517	107,971	153,488
Charitable activities	1,483,620	3,130,794	4,614,414
Total	<u>1,529,137</u>	<u>3,238,765</u>	<u>4,767,902</u>
Net (losses)/gains on investments	<u>(55,339)</u>	<u>17,966</u>	<u>(37,373)</u>
Net income/(expenditure) before transfers	7,499,295	(40,459)	7,458,836
Transfers between funds	(979,948)	979,948	-
Net income for the year	<u>6,519,347</u>	<u>939,489</u>	<u>7,458,836</u>
Fund balances brought forward	26,007,511	3,683,766	29,691,277
Fund balances carried forward	<u><u>32,526,858</u></u>	<u><u>4,623,255</u></u>	<u><u>37,150,113</u></u>