

FORWARD TOGETHER
IN
HOPE

Diocesan Facts and Figures



DIOCESE OF **Hexham & Newcastle**

1 About the Diocese

The Diocese of Hexham and Newcastle is a registered Charitable Company serving the Catholic population of the North East of England. Geographically it covers 3,258 square miles (8,438 km²).

The Diocese was founded as the Diocese of Hexham in 1850; the name changed to Hexham and Newcastle in 1861. On 1st April 2012 the assets and operations of the Diocese transferred to a Charitable Company Limited by Guarantee, called Diocese of Hexham and Newcastle.

The purpose of the Charitable Company is:
To promote the Roman Catholic religion in the counties of Northumberland, Tyne and Wear, Durham and the Northern part of Cleveland, covered by the Diocese of Hexham and Newcastle, and other charitable works promoted by the Church outside the Diocese.

All of the work of the Diocese is underpinned by and reflects the ethos of the Roman Catholic tradition through prayer, worship, a commitment to community and a sense of mission. The Charitable Company aims to satisfy its objects and demonstrate its public benefit through four main areas of charitable activity, namely:

- To provide support to the clergy in their ministries.
- To provide and support pastoral work in parishes and local communities.
- To provide support and direct life-long Christian education in parishes and schools.
- To preserve and invest in the property infrastructure of the Diocese and parishes, facilitating worship and enabling the charitable work of the church to take place.

The Diocese is divided into 18 Deaneries and there are currently 163 Parishes and 177 Diocesan churches in active use.

In 2013, the total resident population of the area covered by the Diocese was estimated at

2.25 million people of whom 36,661 were recorded as mass-goers. There are currently over 8,000 volunteers in the Diocese who undertake ministries that are subject to DBS checks.

At 31st December 2014 there were 106 active Diocesan priests and 53 retired priests as well as 26 Permanent Deacons.

The Diocese has 129 primary schools, 6 first schools, 4 middle schools and 20 secondary schools. There are over 53,000 pupils in our Diocesan schools of which 65.9% are Catholic and 3,284 teachers of which 57% are Catholic.

The Right Reverend Séamus Cunningham is the 13th Bishop of the Diocese and was ordained Bishop on 20th March 2009. The Bishop is supported by an Episcopal Council consisting of a Vicar General and Episcopal Vicars. The Bishop and the Episcopal Council along with a number of lay Directors make up the Diocesan Board of Directors. A Council of Priests, a Council of Laity, a Council of Youth and a Council of Religious provide consultative mechanisms for the Bishop.

Our Diocesan Vision

'Listen, I am standing at the door, knocking; if you hear my voice and open the door, I will come in to you, and eat with you and you with me' (Rev. 3:20).

This Word of God challenges us as a Diocese to:

- Worship God
- Proclaim the Gospel
- Serve everyone with love

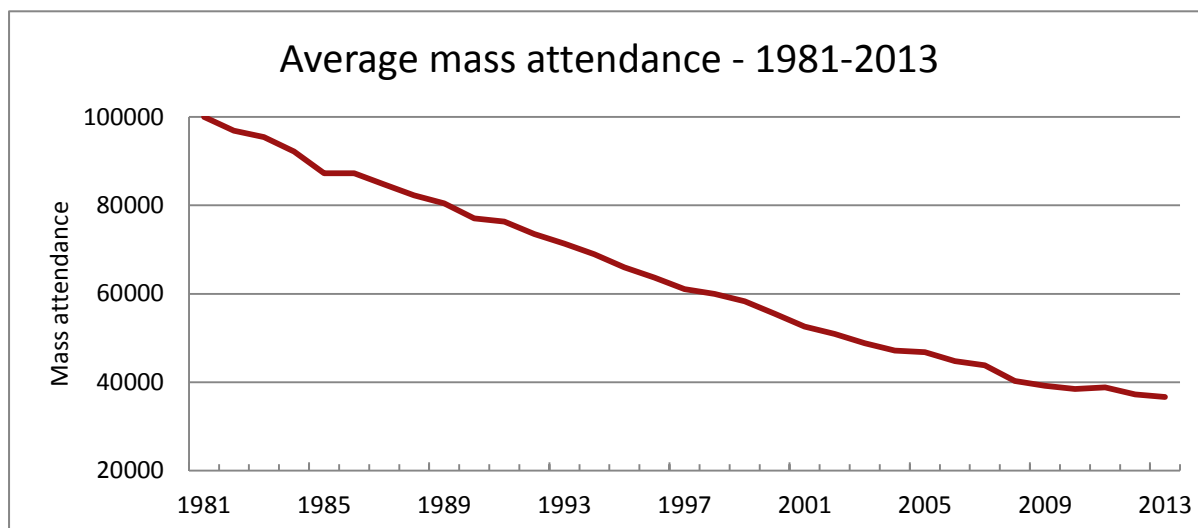
Building on this vision we are encouraged to be rooted and grounded in a loving relationship with Christ.



2 Key Statistics

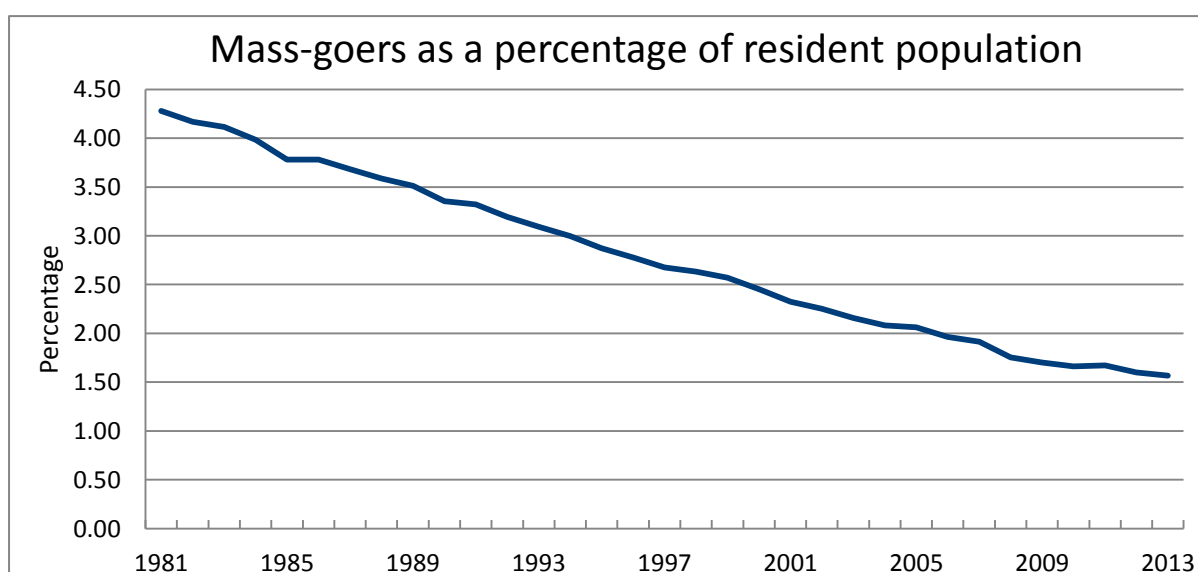
Over the following pages we set out a number of key statistics about our Diocese and give an indication of how some of these have changed over time.

2.1 Mass attendance

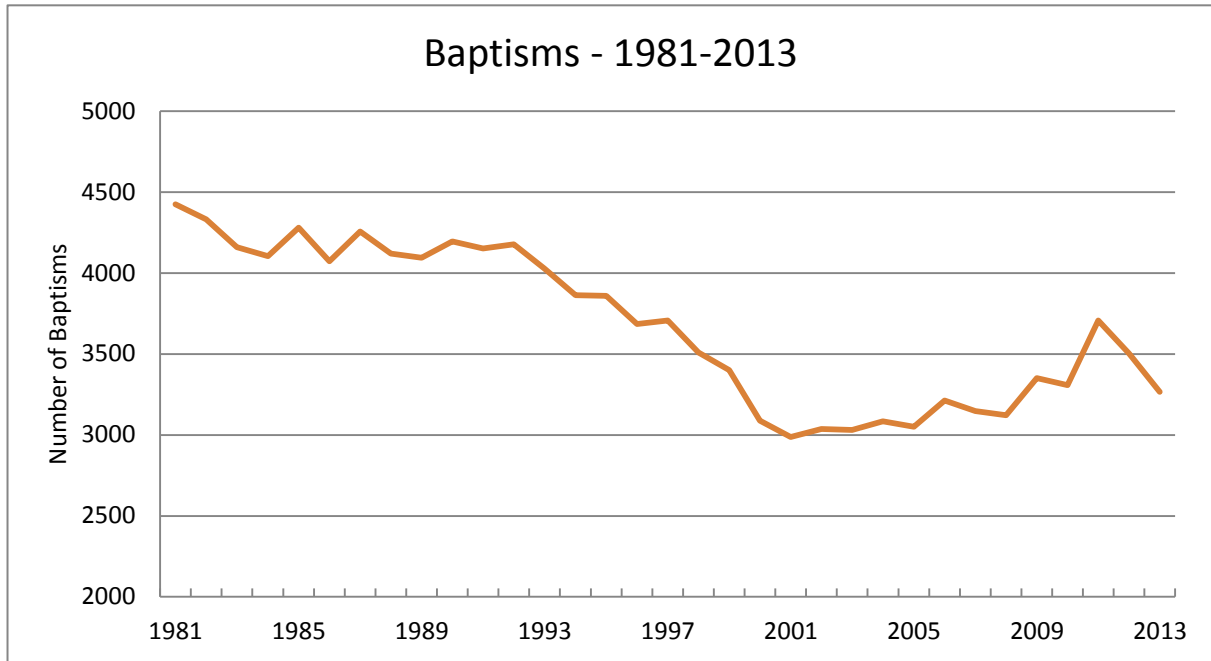


The attendance at mass is counted during four weekends in October each year and an average over the period is reported. The graph above shows that attendance has fallen dramatically over the past few decades. Between 1981 and 2013 the figures have decreased from around 100,000 to less than 37,000 - a reduction of over 63%.

While figures can be quoted for the estimated Catholic population in each parish and for the Diocese as a whole, these are felt to be unreliable for the purposes of making comparisons. Perhaps a more useful indicator is the comparison of the mass-going population with the overall resident population of the geographical area covered by the Diocese. A reasonable proxy is the combined population of the Local Authorities of Darlington, Durham, Gateshead, Hartlepool, Newcastle, Northumberland, North Tyneside, South Tyneside, Stockton and Sunderland, using Office for National Statistics mid-year population estimates. The graph below indicates that the proportion has reduced significantly over time. In 1981 average mass attendance was recorded as 100,019, representing 4.28% of the resident population; by 2013, the recorded mass-attendance of 36,661 represents just 1.57%.

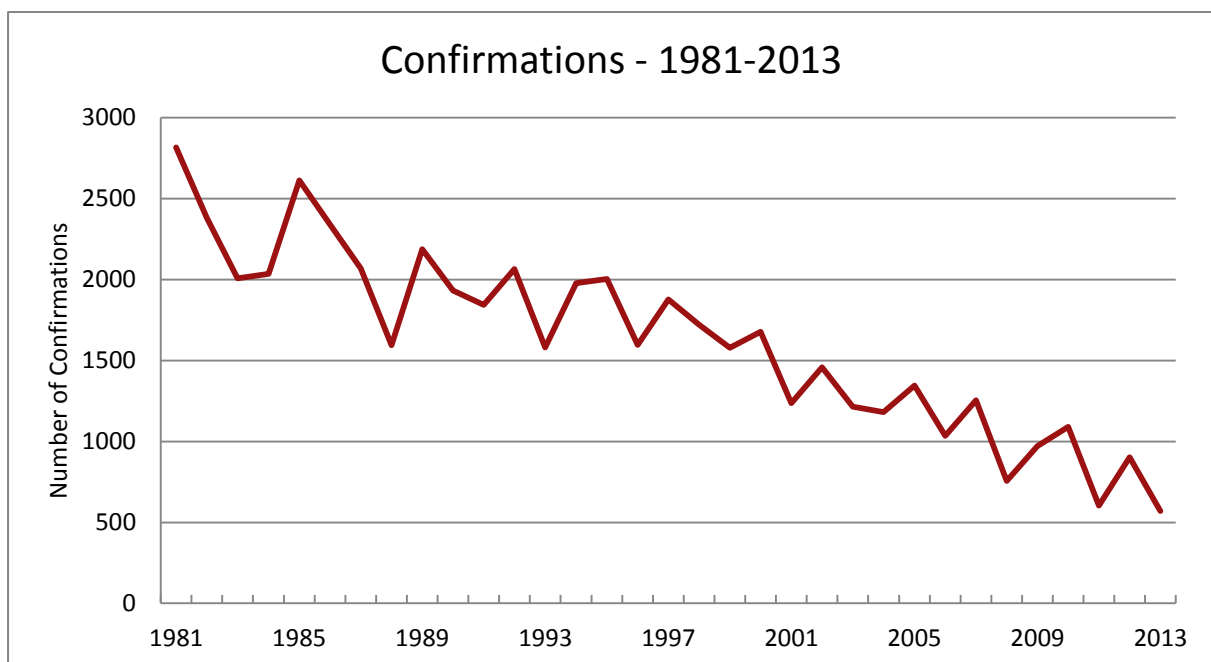


2.2 Baptisms



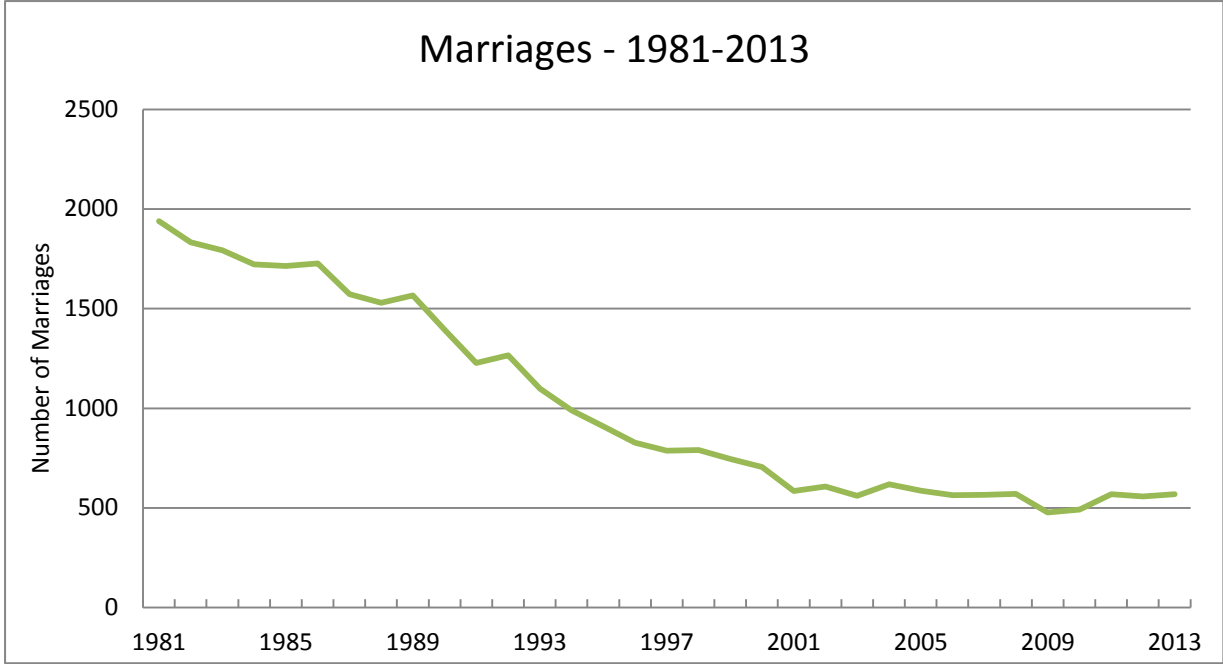
The number of people baptised annually in the Diocese has seen an overall reduction (from over 4,425 in 1981 to 3,267 in 2013) - a fall of around 26% - although there has been something of an upturn since 2001.

2.3 Confirmations



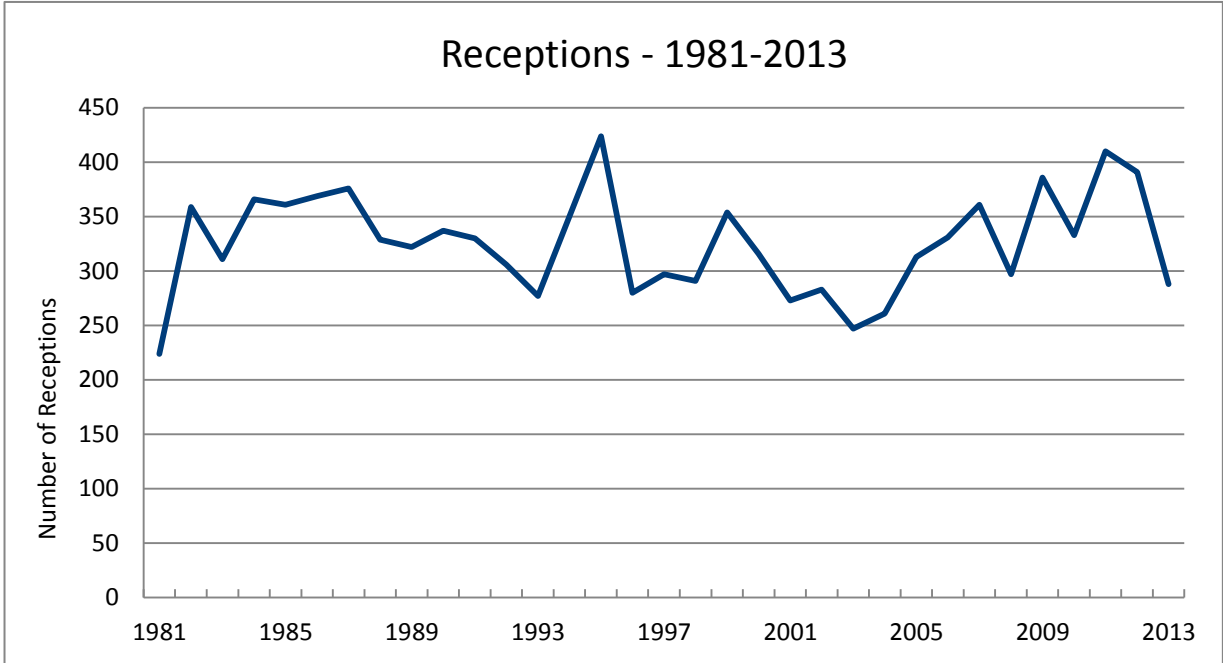
Between 1981 and 2013, the average number of confirmations reported annually has reduced by around 80% - from 2,861 to 571.

2.4 Marriages



The number of marriages each year in the Diocese has also shown a sharp decline – a reduction of over 70% (from 1,939 to 568). From 2001 to 2013 the level has remained fairly static.

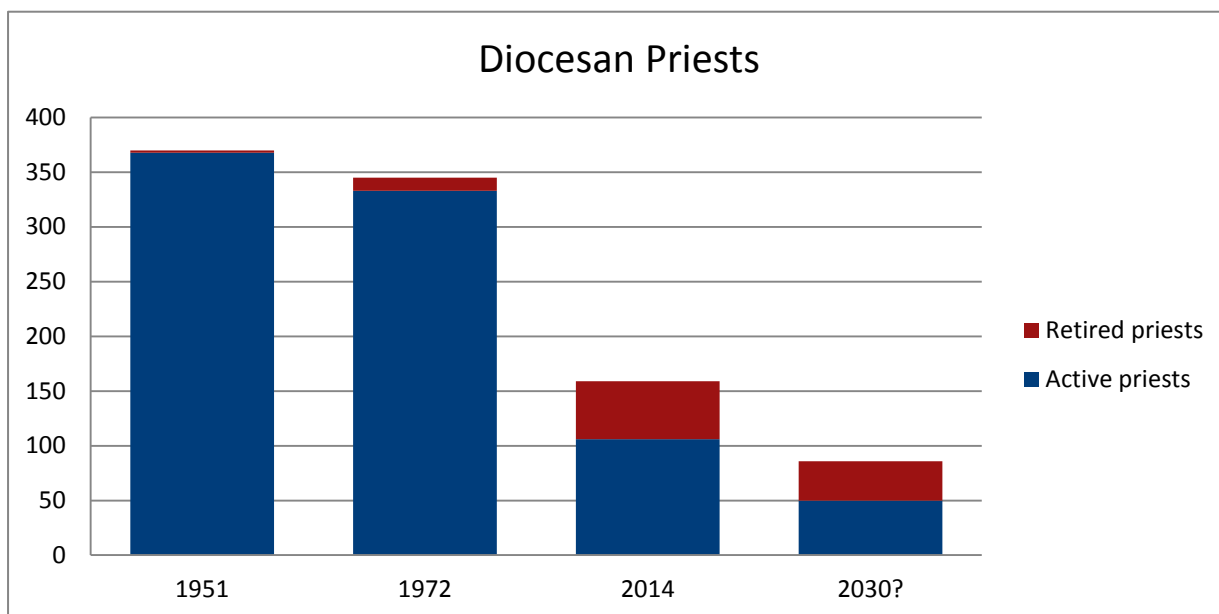
2.5 Receptions



Despite the significant decline in mass attendance, and in many of the other indicators shown above, it is interesting to note that Receptions into the Catholic Church in the Diocese have remained fairly stable over time, with an average of around 325 each year.

2.6 Number of priests

While it may seem at first glance that it is a relatively straightforward matter to report on the number of priests serving the Diocese at any point, we need to be careful to define what we actually mean. For example, we need to differentiate between ‘active priests’ and ‘retired priests’; between Diocesan priests and others who are operating in the Diocese, perhaps temporarily or as part of a religious order. Also, a small number of Diocesan Priests may not be active in parishes at any given point.



This graph indicates that between 1951 and 2014 the number of active Diocesan priests has fallen from 368 to 106, while the number of retired priests has increased from 2 to 53 over this period. It is particularly significant that between 1972 and 2014, the number of active priests has reduced from 333 to 106 – a decrease of over 67%. While it isn't really possible to predict accurately how many active priests we will have in the Diocese in 2030, just 15 years from now, a best estimate is that we might have around 50. This is, of course, based on a number of assumptions, namely;

- There will be no significant upturn or downturn in ordinations over this period. The number of ordinations over the past 15 years (13) is used as an estimate for ordinations between 2015 and 2030.
- All priests will retire at age 75 (not all do – but see below).
- No priest will cease active ministry before age 75 (a small number will).

On this basis, by 2030, all who are currently aged 60 or above will be retired or deceased (leaving around 39 of the *current active group* still active). If 13 more priests are ordained this gives a total of 52.

Notes:

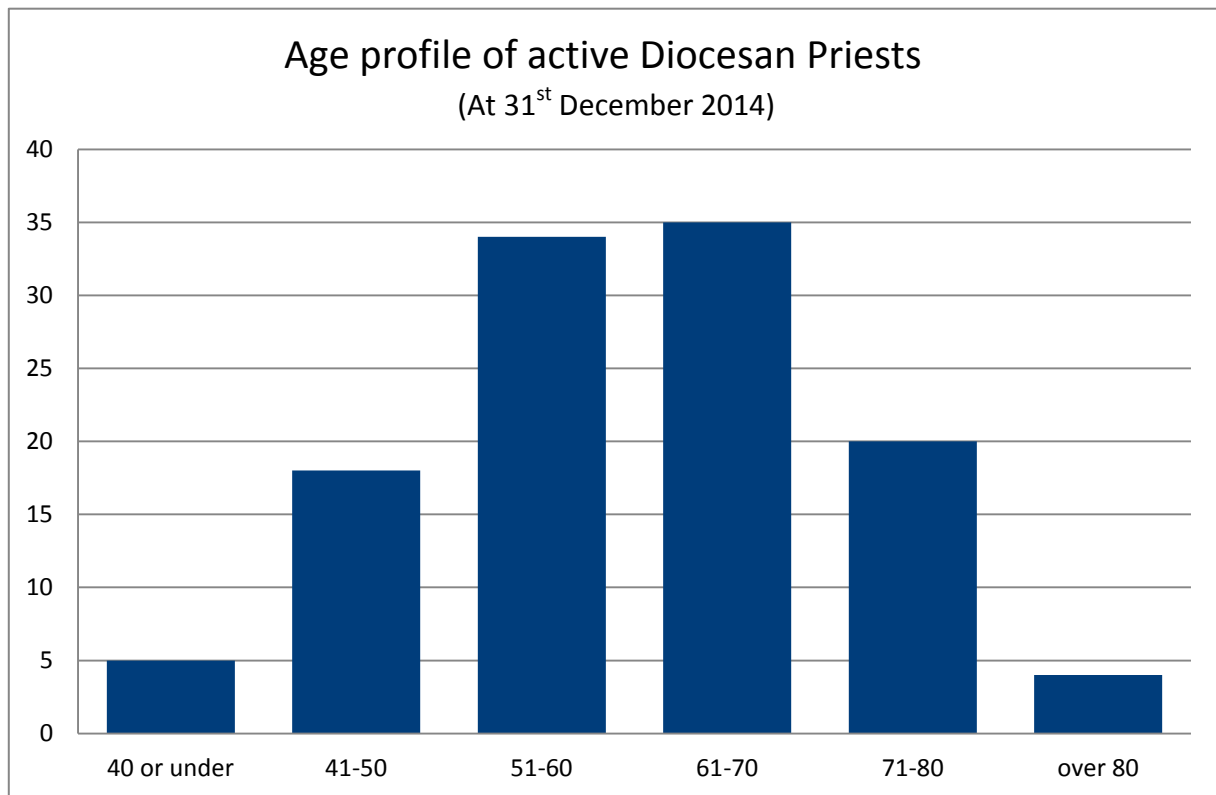
- a) Many priests stay on in active service beyond age 75 (currently around 20%) and a small number are likely to cease active ministry before that age.
- b) 13 ordinations in the next 15 years may be an optimistic estimate.

These issues may balance out to some extent, hence the overall estimate of around 50 active priests in our Diocese in 2030.

c) The term ‘retired priest’ refers to those priests who have retired from ‘the Office’ or active service. Once ordained, a priest is always a priest.

2.7 The age profile of priests

The age profile of our active Diocesan priests has also changed a lot over time. As the graph below indicates, we have only 5 priests aged 40 or under; almost half of our active priests (47.2%) are already aged 65 or over.



More detailed information about the age profile of active and retired Diocesan priests (as at 31st December 2014) is shown in the table below.

Age	Active Diocesan Priests	Retired Diocesan Priests
Over 90	0	1
86-90	0	11
81-85	4	15
76-80	8	17
71-75	12	5
66-70	26	3
61-65	9	0
56-60	7	1
51-55	17	0
46-50	13	0
41-45	5	0
36-40	1	0
31-35	2	0
30 and under	2	0
TOTALS	106	53

3 Financial Background

Until 31 March 2012 the Roman Catholic Diocese of Hexham and Newcastle was constituted as a Charity for Roman Catholic Purposes by a Declaration of Trust dated 4 November 1867 no. 234071 and Hexham & Newcastle Diocesan Trust dated 16 September 1947 no. 235686. All reporting was made under the charity reference 235686.

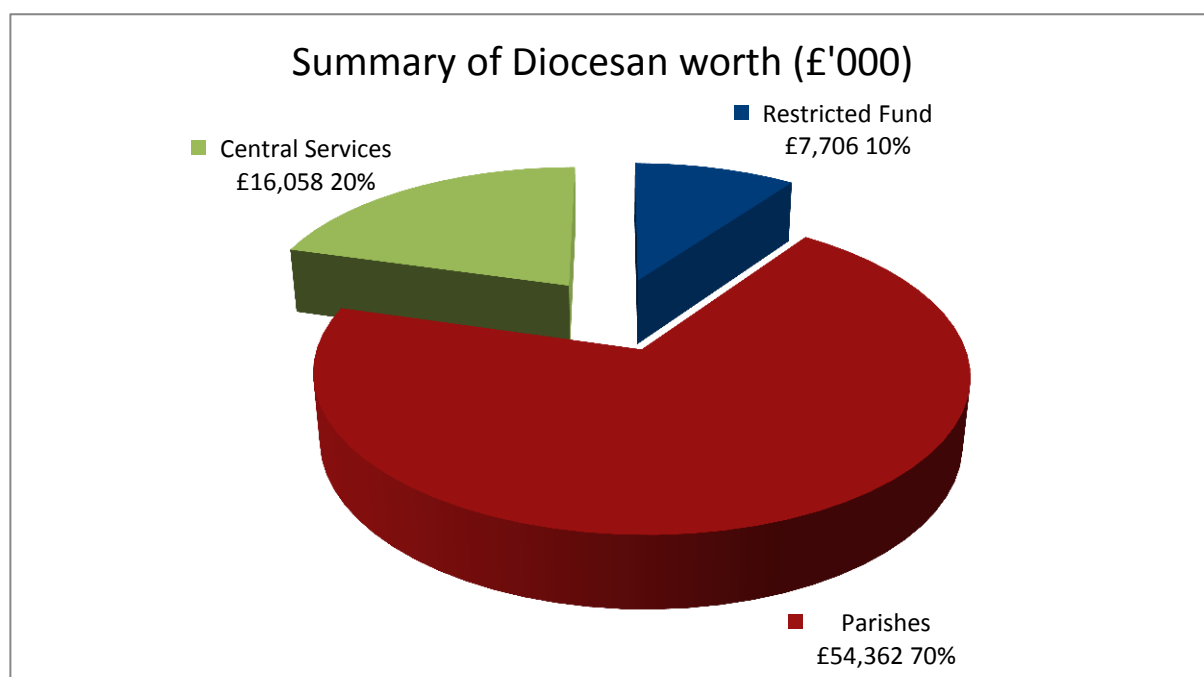
On 1 April 2012 the assets and operations of the Diocese transferred to a Charitable Company Limited by Guarantee, called Diocese of Hexham and Newcastle. The Company number is 7732977 and the new charity number is 1143450. The Directors of the Charitable Company are the Trustees. The Charitable Company carries on the activities of the Diocese.

The Diocese of Hexham and Newcastle Charitable Company is legally required to make Annual Returns and file audited accounts with both the Charity Commission and Companies House every year. Its administrative operations are regulated by Church law, by English law, and by the Charity Commission.

The Diocesan Charitable Company comprises all of the operations of the Parishes, the Central Diocesan Services (including the Office of the Bishop) and a large number of restricted funds. It is also connected to a number of other companies, and being the parent company, must file consolidated accounts for the Group. The Group includes St Cuthbert's Care (a separate charity), Sursum Corda Limited, (the Cathedral's trading company) and, from April 2012, Youth Ministry Trust (a separate charity that focuses completely on youth ministry and the operation of the Youth Village). Information has been extracted from statutory audited accounts to provide a snapshot of the financial affairs of the Diocesan Charitable Company (i.e. excluding the 'Group' companies).

3.1 How much is the Diocese worth?

The information in *Appendix 1* provides a summary of the Charity's balance sheets for 2005, 2008 and 2014 and indicates that the charity is worth £78 million in 2014. Looking at this total worth of £78 million, £54 million (approximately 70% of the total) lies with the parishes and a further 10% relates to restricted funds. Central Diocesan Services, including the Office of the Bishop, is responsible for 20% of the Diocesan net worth. Of the £78 million, almost £25 million represents the value of churches, presbyteries and hall buildings.



Note: 'Restricted Funds' are those which have been formed as a result of donor-implied intentions for the money.

Analysis of Net Assets of the Diocesan Charity at 31st March 2014

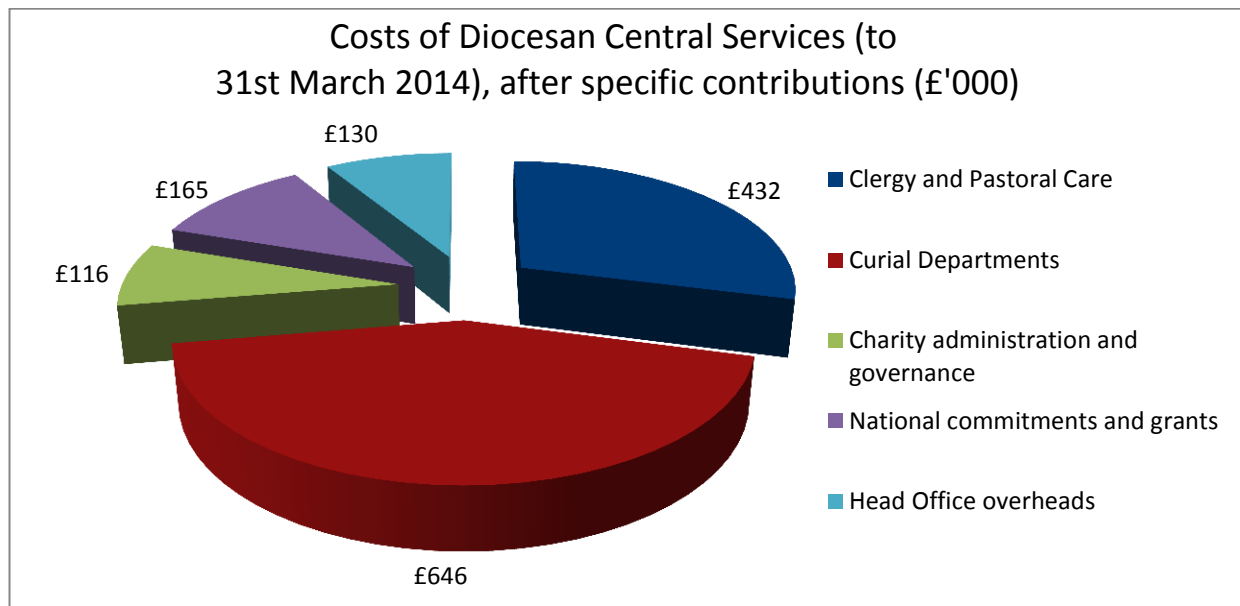
	Restricted Fund (£m)	Central Fund (£m)	Parishes Fund (£m)	Total (£m)
Functional property	0	3.2	24.7	27.9
Investment property	0	0.3	1.3	1.6
Quoted investments	5.8	18.5	0	24.3
Other Investments including Fixed deposits	0	13.3	0	13.3
Net current assets/(liabilities)	1.9	(19.3)	28.4	11.0
Total	7.7	16.0	54.4	78.1

The Charity operates a mutual banking principle whereby parishes that have funds surplus to their own needs deposit these with the Central Office. This enables parishes in need to obtain interest free loans. The Central Office administers this and invests wherever possible but these deposits remain the property of the parish. At 31st March 2014 the net parish deposit situation was £21 million. Quoted investments of £24.3 million are managed under a strict ethical policy. Income from unrestricted investments subsidises the cost of Central Services and therefore reduces the burden on parish levies.

3.2 Central Services

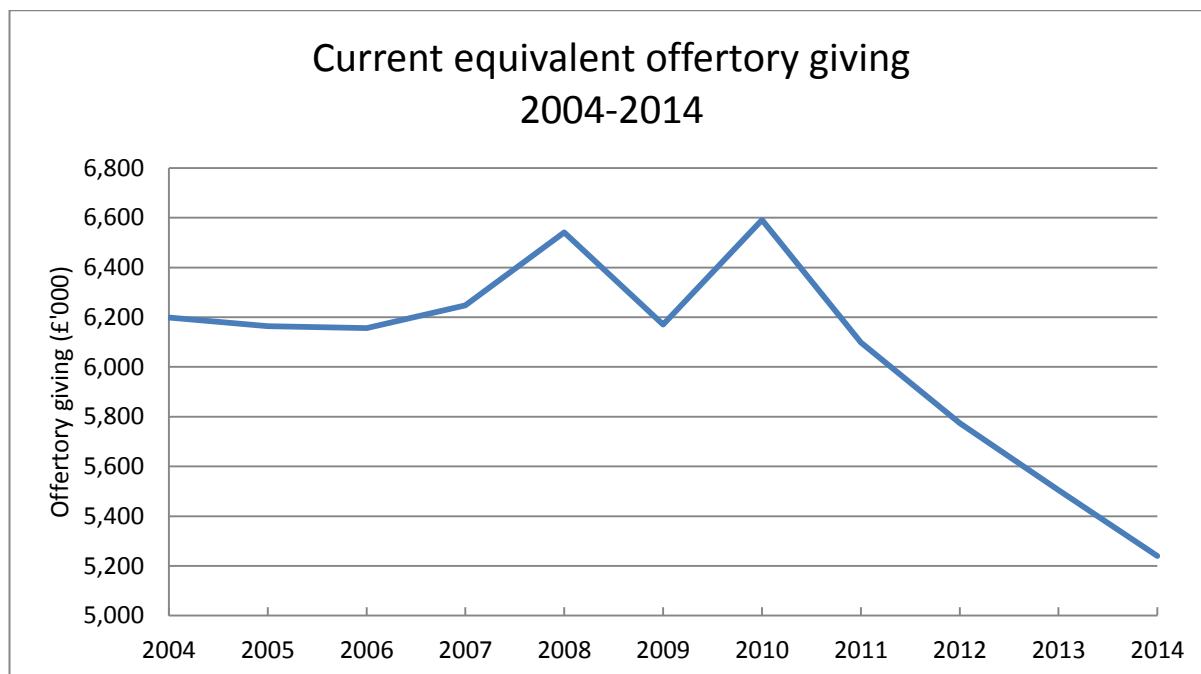
All of the legal compliance work of the Charity is covered by the work of the Central Services (the Curia). The statutory demands continue to increase requiring charities to be fully accountable in every area of work. Other than secretarial support, all of the work of the Diocese used to be carried out by priests. However, the falling numbers of priests together with priests being required to administer more and more parish communities, as well as the growing complexity of regulation, has required the employment of professionally qualified experts in their field.

The work of the Central Services, and contributions to levies supporting the work of the Catholic Church nationally and the Bishops' Conference, are paid for through investment income, contributions from schools and a parish levy. Occasionally, grant aid is received for specific projects, sometimes from external funders, sometimes from parishes allocating a deposit for an initiative. The total contribution of parishes via the levy has remained at £800,000 for the past four years. A list of the Central Services Departments that provide initiatives, advice, support and compliance work is given in *Appendix 2*.



3.3 Offertory income

The work of the Diocesan Charity depends upon the generosity of parishioners giving through the offertory and donations, and this is a precious resource to fund the work of the Church in the North East. Approximately 48% of offertory is given under Gift Aid enabling the Charity to benefit further. However, assuming an average rate of inflation of 2% per annum over the last ten years, the graph below shows a substantial decline in the real value of the offertory giving.



Indeed, the graph shows a 20% decline in offertory giving in real terms over the last five years (see Appendix 3 for the data).

3.4 What do we spend our money on?

The following samples are drawn from the accounts for 2014, 2008 and 2005.

a) Property-related costs

Charity property-related costs (excluding school property)			
	2014	2008	2005
	£'000	£'000	£'000
Major building works	841	1,851	2,127
Fixtures and fittings	201	99	226
Repairs to parish property	1,534	1,716	1,862
Total	2,576	3,666	4,215

Ignoring any adjustment for inflation, in 2005 £4.2 million was spent on parish property works and repairs. This represented 73.5% of the offertory giving plus its associated Gift Aid, clearly showing the extra fundraising efforts and energy that enabled such property works to take place. Even looking at the total parish unrestricted income this represented 41.7% of the available resources. In 2008 the spending on property was £3.7 million, representing 56% of the offertory and 35.4% of the total parish

income. Since 2008 there has been a moratorium on all new projects other than emergency works to keep property weather-tight, or works attributed to safeguarding and disabled access. Yet, even with this undertaking, in 2014 £2.6 million has been spent on property, representing 44% of offertory and 25.6% of total parish income.

b) Special collections to help others

Parishes are required by the Conference of Bishops in England and Wales to support a number of special collections. In addition, parishes choose to help other deserving causes and special projects for the needy.

Grants and donations through parish records						
	2014		2008		2005	
	£'000		£'000		£'000	
Total special collections (not adjusted for inflation)	814		918		955	
Included in this total:						
CAFOD	210		268		343	
SE Asia Tsunami appeal	-		-		278	
Foreign Mission work	97		156		128	

Parishes benefit greatly from other forms of donations from parishioners, for example, refreshments and support for social events. These are less quantifiable but nonetheless indirectly contribute to the financial well-being of the parish. Support through, for example, tins of food and clothes for homeless and refugee charities also takes place, but again is not quantified.

c) Employment of staff

Staff costs and staff numbers						
	2014		2008		2005	
	No.	£'000	No.	£'000	No.	£'000
Diocesan Central Services	47	973	44	1073	36	793
Parishes	135	520	198	504	199	484

In 2005 the Diocesan salary costs represented about 35% of the Curial costs. In 2014 this was approximately 50% reflecting the increasing reliance on full-time professional staff. The Curia also relies on the dedicated service of many volunteers.

Much of the work in parishes is carried out by volunteers. Employees tend to be cleaners, secretaries/administrators, housekeepers and, increasingly, organists. In 2005 the costs represented about 7% of total parish costs, and this has remained constant into 2014.

d) Examples of some running costs of parishes

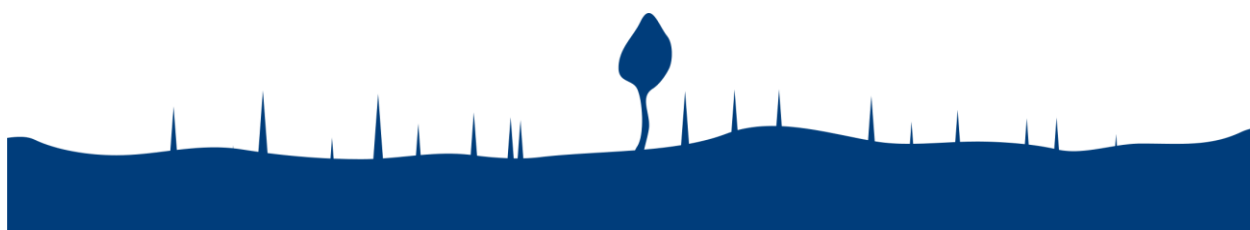
Parish Running Costs			
	2014	2008	2005
	£'000	£'000	£'000
Church requisites	506	559	536
General administration	1,242	1,152	1,171
Heat and light	1,134	934	604
Total	2,882	2,645	2,311

In 2005 these running costs amounted to 23% of the income of parishes. In 2008 this had risen to 25% of income whilst, in 2014, they represent 29% of parish income (ignoring any adjustment for inflation).

3.5 Conclusion

At first glance the Diocesan Charity appears to be well endowed, but it is clear from deeper analysis that there are concerns:

- A large proportion of our income is spent on property and property-related costs. The limitation on approval for building renewal projects since the global financial crisis in 2008 probably means that many of our properties are looking tired and in need of upgrade.
- Are we using our properties for the good of our communities and are we maximising their use? If so this may be money well spent. The converse is true if we are spending these significant sums merely to maintain a building for use one day a week.
- Parishes appear to be reasonably well off as a whole. However the summary masks the reality that some parishes have very little resource whilst others are very well endowed. Should we be considering the Diocese as a whole and finding ways to share resources to ensure we have a thriving Diocesan community into the future? It can be the communities which have the greatest needs that have minimal resources to meet those needs.



Comparison of Charity Balance Sheets			
	2014	2008	2005
	£'000	£'000	£'000
Fixed Assets			
Tangible assets	27,887	19,596	15,512
Investments	39,265	24,010	25,424
Total	67,152	43,606	40,936
Current Assets			
Debtors	1,312	5,138	8,115
Short term deposits	1,109	2,418	742
Unsecured short term loans	697	556	650
Cash at bank	10,842	13,058	7,458
Cash at bank (schools projects)	2,275	7,823	0
Total	16,235	28,993	16,965
Creditors			
< 1 year	5,261	11,621	6,952
Net Current Assets	10,974	17,372	10,013
Total Net Assets	78,126	60,978	50,949
<i>Represented by:</i>			
Restricted Fund	7,706	7,174	5,992
Parishes	54,362	42,156	35,361
Central Funds	16,058	11,648	9,596
Total Funds	78,126	60,978	50,949

Departments in Central Services
Department for Adult Formation and Evangelisation
Department for Communications
Department for Development and Renewal
Department for Ecumenism
Department for Education
Department for Finance
Department for Justice and Peace
Department for Interreligious Relations
Department for Liturgy
Department for Property Management
Department for Safeguarding
Department for Spirituality
Department for Tribunal
Department for Youth Ministry

Offertory Current Equivalent Calculation (RPI=2%)		
Year	Actual Offertory (£'000)	Current Equivalent (£'000)
2004	5,085	6,199
2005	5,158	6,164
2006	5,254	6,156
2007	5,439	6,248
2008	5,808	6,541
2009	5,589	6,171
2010	6,090	6,592
2011	5,747	6,099
2012	5,550	5,774
2013	5,397	5,505
2014	5,240	5,240

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