

**DIOCESE OF MIDDLESBROUGH**

**TRUSTEE'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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## **DIOCESE OF MIDDLESBROUGH**

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## DIOCESE OF MIDDLESBROUGH

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE DIOCESE, ITS TRUSTEE AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2024

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**Trustee** Diocese of Middlesbrough Trustee

**Directors And Officers of The Diocese Of Middlesbrough Trustee:**

The directors shown below have held office for the whole of the period from 1 January 2024 to the date of this report.

- Rt Rev Terence Patrick Draine, Bishop of Middlesbrough
- Very Rev Mgr Canon G Robinson, Vicar General
- Mr J C Fleming
- Rev W Massie
- Mr P G Westmacott
- Dr T A Lyth
- Mr A T McMillan
- Mrs B Hungin
- Mr C Leather

Changes in directors holding office are as follows:

- Mr N Mack (resigned 24 July 2025)

**Charity registered  
number**

233748

**Principal office**

Curial Offices  
50a The Avenue  
Middlesbrough  
TS5 6QT

**Financial Secretary**

Mr J Walton

**Independent auditors**

Waltons Business Advisers Limited  
Harbour Walk  
The Marina  
Hartlepool  
TS24 0UX

**Bankers**

Barclays Bank PLC  
5 St Ann's Street  
Quayside  
Newcastle upon Tyne  
NE1 3DX

**Solicitors**

Grays Solicitors  
Duncombe Place  
York  
YO1 2DX

**Key Management Personnel:**

**Chief Operating Officer:** Rev P Warren  
**Financial Secretary:** Mr J Walton  
**Director of Schools:** Mrs K Bailey

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## **DIOCESE OF MIDDLESBROUGH**

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### **TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024**

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The Trustee presents its report and accounts for the year ended 31 December 2024

#### **CONSTITUTION AND AIMS**

The Roman Catholic Diocese of Middlesbrough is governed by a Trust Deed dated 2 January 1928 and is registered under the Charities Act 1960 – No 233748. The sole Trustee of the Charity is a Trust Corporation, Diocese of Middlesbrough Trustee, company registration number 03482285, which was incorporated on 17 December 1997. The Charity is controlled by the Bishop who is assisted by up to ten directors of the Trust. The Bishop is empowered to appoint and dismiss all directors. Details of the Directors, acting as Trustees of the Charity, who served during the year, are given on page one.

The aims and objectives of the Trust are the “advancement or maintenance of the Roman Catholic Religion in the Roman Catholic Diocese of Middlesbrough”.

The Trustee Board directors confirm that they have complied with the duty in the Charities Act 2011 Section 17 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

#### **OBJECTIVES AND ACTIVITIES**

The aim of the Diocese is, in accordance with the objectives of the charity, the advancement of the Roman Catholic religion and education in the Diocese of Middlesbrough.

This advancement of the Roman Catholic religion is achieved, most effectively, when Catholics, inspired by faith, share the love of God with those around them, whether in their families, in the workplace, in schools or in the community.

The Diocese fulfils its purpose by offering religious and pastoral services, educational programmes and charitable support and assistance to all within its boundaries whether they be Catholics or belong to other religions or to none. This formation then enables the people of the Diocese to carry out the mission of the Church by reaching out to those in any form of need including refugees and asylum seekers and immigrants, to those who have alcohol or drug dependency, to the homeless and to the poor and by supporting food banks. Schools, too, have involvement in this outreach through the way in which they help to form responsible individuals going out into society and reflecting the love of God by putting their faith into action.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Diocese comprises sixty-eight parishes, five of which are served by the Benedictine Order, two by the Oratorians who have now formed their own charity, the York Oratory Trust, one by a Syro Malabar priest, and two by the Oblates of The Virgin Mary. We also have priests from other dioceses and “Religious” priests administering in and working in fourteen parishes. In addition to this, we have University Chaplaincies in Hull and in York. We now have thirty one diocesan priests in active ministry. We also have twenty two priests who have retired from parish pastoral office. Sadly, three retired priests have died in the past year. A number of our retired priests provide supply assistance to resident priests. We now have eleven permanent deacons, boosted by four diaconal ordinations in 2025, working in various parishes of the Diocese and eight who have retired. Parishes aim to provide for the spiritual needs of people of all ages with special emphasis on the needs of the poor and disadvantaged and the sick. There is also great awareness of the plight of refugees and asylum seekers and much effort is expended on assisting those in this position.

We try to work in harmony with other Christian churches and people of all faiths as appropriate. Strongly supported by the Bishop, education in the faith is provided through our schools. There are forty five primary schools and eight secondary schools all of which are now members of multi academy trusts (MATs) and two independent schools operate in the Diocese. One of our academy schools serves jointly Catholics and Church of England pupils from the Richmond area.

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## DIOCESE OF MIDDLESBROUGH

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### TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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The operation of the Charity is overseen by the Corporate Trustee. Directors of the Trustee are appointed by the Bishop. The Trustee Board normally meets seven times in the year under the Chairmanship of the Bishop. A number of Board committees provide advice and guidance to the Trustee Board on a range of matters relevant to the Charity. These meet, normally, in advance of each Board meeting so that the Trustee body can be made aware of any matters of significance. Currently, these committees and sub committees are as follows:

**Finance Advisory Committee:** Following a recent resignation of a Trustee Board director, the committee is, currently, made up of two Trustee Board directors and a senior priest supported by officers and specialists. The committee meets seven times a year, in advance of the Trustee Board meeting, reviewing parish expenditure, and the Curia budget and, in addition, it deals with other matters of financial governance.

**The Investment Sub-committee of the Trustee Board, which incorporates the Ethical Investment Committee:** is made up of two Board directors, the Financial Secretary/COO, the newly appointed Head of Finance, a member of the Council of Priests (COP) and the Investment Manager. The sub-committee is led by one of those directors and it has a remit to review the make-up of the portfolio in order to, both, ensure that the investments are appropriate for the needs of the Diocese and satisfy the principles of the Ethical Investment Policy. The role of the member of the COP is to ensure that the diocesan ethical stance is satisfied.

**Safeguarding Sub Committee:** This Sub Committee is chaired by an independent person who has significant experience in Child Protection work. He is also a Trustee Board director. The sub committee is made up of representatives of statutory authorities, diocesan clergy and another Director of the Trustee Board. The diocesan Safeguarding Co Ordinator attends the meetings of the sub committee and reports to each Trustee Board meeting on the implementation of policies and procedures and, additionally, any matters of concern.

**Diocesan Historic Churches Commission (HCC):** The HCC is chaired by a senior priest with representatives from various heritage bodies, specialists and Diocesan representatives. The Commission is charged with the task of ensuring that regular inspections are carried out and that any required work is carried out in an appropriate manner. It also requires that any work on the twenty four listed churches and chapels in the Diocese be not undertaken without its prior approval. The Commission has also taken into its care a number of churches which experts consider should be listed.

**Sick and Retired Priests' Welfare Committee:** This committee, chaired by the Episcopal Vicar for Clergy, is responsible for supporting the sick and aged priests of the Diocese and the approval of expenditure for their welfare. The Care & welfare Consultant reports to the Committee and her reports are integral to the operation of the Committee. Membership comprises the Chair, two priests elected by the Diocesan priests, a priest retired from pastoral office, a deacon and laity appointed by the Bishop.

**The Directors of the Trust** are also the Diocesan Finance Committee required by Canon Law (Canon 492). Newly appointed Trustee Directors are briefed, initially, by the Company Secretary and receive copies of the Memorandum and Articles of Association, copies of the Charity Commission document on the responsibilities of Trustees and copies of Board minutes. There have been changes since the date of the last Trustee's Report with one director resigning for personal reasons and one new appointment.

**The Chief Operating Officer** continues to provide legal advice and act as Company Secretary in addition to having responsibility for the operations of the Curia. He has, recently, assumed the title of Financial Secretary following the impending retirement of the former Financial Secretary.

**The recently-appointed Head of Finance** with her staff, under the ultimate authority of the Bishop, is responsible for handling all financial and property matters.

**The Bishop's Council**, comprising the Vicar General, and Episcopal Vicars with responsibility across the Diocese for aspects of a pastoral nature, together with the Chancellor, continues to advise and assist the Bishop in pastoral matters.

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## DIOCESE OF MIDDLESBROUGH

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### TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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**The Diocesan Gift Aid Officer**, appointed at the start of 2025, works closely with parishes on financial matters, particularly Gift Aid, and provides support where needed. She also reviews Parish Financial Returns with outcomes from this work being critical to provision of information for audit purposes. In addition to this, she performs accounting functions in the Finance Department. In the short time that she has been with the Diocese, she has identified ways to improve the relationship between the Curia and the parishes.

**Fundraising Officer:** The Fundraising Officer meets, periodically, with representatives of parish Finance Committees. It was, previously, reported that he had introduced facilities for cashless giving in parishes and thirty-five machines are now in place in parishes. This officer has now become more involved in fundraising activities of the Diocese. More recently, he has introduced a stewardship initiative, "My Parish, My Mission" an initiative already in place in some other dioceses. The aim is to encourage more volunteer participation in parish activities and increase the number of planned giving contributions.

**Care and Welfare:** The consultant dealing with welfare needs of priests has continued her work throughout the Diocese. This is a service very much appreciated and well used by priests.

#### **Remuneration Policy**

The Trustee Board approves annual pay awards and job roles and remuneration are reviewed periodically. If, and when, significant roles change hands, benchmarking of rates is employed.

#### **Subsidiary Company**

The Diocese has a wholly owned subsidiary company, Diocesan Property Management Limited. The company was established to facilitate the management of building contracts for the Diocese and its sales are to the Diocese only. The company provides its services at cost and makes a minimal profit or loss. For the year ended 31 December 2024, the turnover of the company was £Nil (2023: £Nil) and its loss was £891 (2023: £713).

#### **Investment Powers and Policy**

The Trust Deed, in conjunction with the Trustee Investment Act 1961 and the Memorandum and Articles of Association of the Trust Corporation, authorises the Trustee to make and hold investments using the general funds of the Diocese. The investment objective of the Trustee is that the real value of the assets should be maintained and enhanced over the long term and that the fund provides income to assist in the operational costs of the Diocese.

The Investment Manager manages the portfolio on a discretionary basis, with an emphasis on medium risk, and the Diocese and the Investment Manager meet periodically to review the portfolio and its performance. In the management of the portfolio the Investment Manager takes due account of the Diocesan Ethical Investment Policy and reports to the recently formed Investment Sub-committee. Dividend income has held up well during the year.

The asset mix we have in the portfolio served us well for a number of years and we continue to believe it will again, once the interest rate cycle peaks and turns lower. In the meantime, dividend flows are expected to be maintained, providing at least some comfort whilst capital values are depressed.

## DIOCESE OF MIDDLESBROUGH

### TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

#### FINANCIAL REVIEW AND REVIEW OF THE YEAR

The table below summarises the financial activities of the Diocese:-

	2024		2023	
	Unrestricted £k	Restricted £k	Unrestricted £k	Restricted £k
<b>PARISHES</b>				
Income (excluding profit on sale of assets)	4,465	319	3,920	299
Expenditure	(3,891)	(187)	(3,553)	(257)
Diocesan assessment and transfer	(975)	-	(731)	-
<b>Surplus/(deficit) before transfers etc</b>	<b>(401)</b>	<b>132</b>	<b>(364)</b>	<b>42</b>
Transfers	-	-	-	-
(Loss)/Profit on sale of assets	-	-	-	-
Unrealised (loss)/gain on investment property	1,225	-	(200)	-
Added to/ (deducted from) reserves	<b>824</b>	<b>132</b>	<b>-</b>	<b>564</b>
<b>CURIAL</b>				
Diocesan assessment & transfer	975	-	731	-
Other income (excluding profit on sale of assets)	1,862	194	1,623	328
Total income	2,837	194	2,354	328
Expenditure	(2,166)	(344)	(2,073)	(347)
<b>Surplus/(deficit)</b>	<b>671</b>	<b>(149)</b>	<b>281</b>	<b>(19)</b>
Other transfers	(34)	34	(96)	96
(Loss)/Profit on sale of assets	-	-	-	-
Realised/unrealised gain/ (loss) on investments	664	-	(549)	-
Added to/(deducted from) reserves	<b>1,301</b>	<b>(115)</b>	<b>(364)</b>	<b>77</b>

Full details of the income and expenditure are shown in the statement of financial activities on page 16 and in the notes to the accounts.

The Trustee Board wishes to place on record its sincere thanks to all priests, the Curia Office staff, parish volunteers and external professions for their efforts on behalf of the Trust.

#### Reserves Policy

The Trustee Board has not determined a fixed amount of general reserves that are required but consider that the reserves need to be maintained at least at the present level in order to meet possible shortfalls in income and to be able to respond to requests for funding.

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## DIocese OF MIDDLESBROUGH

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### TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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#### **PUBLIC BENEFIT, ACHIEVEMENTS AND PERFORMANCE**

In preparing this report, the Directors of the Corporate Trustee confirm that they have complied with their duty in the Charities Act 2011 to have full regard to the public benefit guidance published by the Charity Commission's guidance in the exercise of their powers and duties.

The provision of public benefit provided by the Charity includes the provision of religious ceremonies (such as baptisms, weddings and funerals), maintaining religious burial grounds, celebrating public Masses and providing and maintaining places of worship. There is also a benefit to the general public since churches can be accessed, by people of all faiths and none, for personal spiritual contemplation. Parishes are, themselves, communities which contribute to the moral and spiritual wellbeing of those who attend, and, from these centres, educational, social and pastoral work is carried out as a practical expression of faith.

In supporting the parish endeavour, the Diocese has a number of agencies which provide central services. Details of this provision are shown below.

#### **Youth Ministry**

Father Phil Cunnah is the Curial lead in work with young people and takes a major role in the organisation of the Youth and Liturgy work of the diocesan pilgrimage to Lourdes. In addition to this work and the running of his parish, Father Phil has a national chaplaincy role.

#### **The Vicariate for Spirituality and Worship**

The Vicariate oversees the work of the Diocesan Director of Music, The Diocesan Master of Ceremonies and the Historic churches Commission, which includes Diocesan Pilgrimages such as the annual pilgrimages to Lourdes and Walsingham.

In this work, the Vicariate encourages and supports autonomous work as necessary. Over the past year, the pace of the Vicariate in other matters has been dictated by the retirement of the Diocesan Adult Formation Director, who had assumed a significant portion of the practical work the Vicariate in various areas. The remit of the new Adult Formation Director has been reshaped. Their work will be overseen by the Episcopal Vicar for Christian Discipleship.

Much of the remaining work of the Vicariate for Spirituality and Worship is unchanged. The Council supports Extraordinary Ministers of Holy Communion and Ministers of the Word through initial and ongoing formation. Input at Deanery meetings reinforces the support provided. In October, the Diocese hosts an Inspiration Day for these ministers which is attended by approximately four hundred people from across the Diocese.

In the Jubilee Year of 2025, the Vicariate is responsible for the Jubilee Pilgrimage to Rome made by around thirty-five official pilgrims, with other making their own way to Rome at the same time. Additionally, the Jubilee Cross was repositioned from the Lady Chapel to Cathedral for the Year. The Jubilee Pilgrimage Way, from the Cathedral to the Lady Chapel, has also been used by some, with many school groups utilising the final part of the Way during their annual summer pilgrimage days.

The retirement of the Adult Formation Director has impacted the Vicariate's capacity to offer further formation and complete its regular work. Renovation of the Vicariate's structure is required in early 2026. However, the work of the Historic Churches Commission has flourished with a well-attended study day concerning the listed buildings in the Diocese and those with care of them. Oversight of these buildings is both supportive and comprehensive, thanks to a well-constituted committee working under the leadership of Mgr Hogan.

The Vicariate recognises that these initiatives, and others that are beyond our current capacity, are an essential part of the evangelisation and outreach work of the Diocese.



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## **DIOCESE OF MIDDLESBROUGH**

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### **TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024**

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#### **Education**

NPCAT academy trust, currently, has an interim CEO in post until August 2026 following the resignation of the former CEO. The Board has appointed a new Chair and all members of the board have been appointed since June 2024. The interim CEO has experience of SCRCAT in the south of the Diocese and the Board of SCRCAT is, currently, recruiting directors in order to ensure that it has a full complement of skills to govern effectively.

Throughout the Diocese, with the exception of one school, the quality of education is deemed to be good or better but all schools have strong leadership and management, behaviour and attitudes and personal development judgements. All schools, locally and nationally, face problems with SEND provision, budget constraints and recruitment and retention. The recruitment of practising Catholic leaders is an ongoing challenge that the Diocese works with the schools and Trusts to address.

#### **Vocations**

Recent experience has been mixed. Two potential students for Valladolid withdrew at the last minute creating frustration and embarrassment. However, we do still have one potential student for next year. In a previous report, we referred to a Nigerian student who had expressed an interest and we are still exploring possibilities.

The position with deacons is much more positive with four ordained to the diaconate this year, three permanent deacons and one transient who should be ordained to the Priesthood later this year. There are also two students for the diaconate, both of whom are doing very well.

#### **Work of the Tribunal**

The Ministry of the Tribunal is often a last resort when a marriage has completely broken down and has ended in a civil divorce. A declaration of nullity may be requested for a number of reasons. Most commonly, someone wants to enter into another union or is already in another union and wishes to regularise the situation in the eyes of the Catholic Church so that they may participate more fully in its life. These are difficult times and care and generosity are needed to guide them.

The Tribunal is also involved in processing cases concerning clergy in co operation with the National Tribunal Service, established under the Catholic' Bishop's Conference of England and Wales, and the Holy See, with the Dicastery for the Doctrine of the Faith (DDF) and the Dicastery for Clergy.

#### **Work of the Chancery**

The main work of the Chancery is the processing of marriage papers, sometimes worldwide, for couples where the Catholic party, at least, is resident within the diocesan boundary. This work includes enabling marriages to take place legally (both civilly and canonically); ensuring that the property of the Church is correctly protected and administered on behalf of the people to whom it properly belongs. Other matters dealt with by the Chancery include advice to the Bishop on matters of public good and public order; liaising with outside agencies (both outside of the Church itself and within the Church but outside of the Diocese); enquiries from people regarding the status of themselves or their parishes/churches in Canon Law. In short, the Chancery works to ensure that the Church works properly on behalf of all its members.

#### **Vicariate for Christian Discipleship**

This Vicariate encompasses a number of elements including Adult Formation, Caritas, Bishop's Council for Marriage and Family Life, Justice and Peace, Hospitals, Prisons, Liaison for Catholic Fellowship and LGBTQ+ Ministry and it forms a link with the wider community beyond the bounds of the liturgical and spiritual life of the Diocese. A priest, working part time, together with administrative support from the Curial Office, works with volunteers from the Diocese, upon whom much of the work depends, and encourages the various agencies.

In Marriage and Family Life, most of the volunteers who completed the Marriage Care Training Course resigned

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## DIocese OF MIDDLESBROUGH

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### TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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from the MFL Council due to the lack of uptake of this service by diocesan priests. They do, however, continue to offer marriage preparation through Marriage Care to any couple preparing for marriage who are directed to them by priests. A new Bishop's Council for Marriage and Family Life needs to be appointed.

One new development is the establishment of a John Paul II Fund (using resources from the sale of the former John Paul II Pastoral Centre in Middlesbrough). A small group administers this fund, making grants to support initiatives in the Middlesbrough and Redcar & Cleveland areas, for charities of any kind which are serving those in need, based on the principles of Catholic Social Teaching. The retirement of the Adult Formation Adviser means that the Diocese has to make a decision on the future of this position.

There are some good ecumenical links at local and diocesan level, though there is less interfaith contact.

Communications falls within the ambit of the Episcopal Vicariate for Stewardship and Administration. Work is performed by a part time consultant whose duties include editing the monthly Catholic Voice newspaper, which is available free in all parishes, running the social media platforms and promoting the Diocese via local and national media. The consultant also assists with crisis management and responds to press queries in co ordination with the Bishop, Chief Operating Officer and department heads.

#### **Prison Chaplaincy**

There are seven prisons within the Diocese of Middlesbrough covering the whole range of categories: local, remand, maximum security, women and young people. Each is served by a priest chaplain, or deacon or volunteer, of varying contracted hours to celebrate Mass and other sacraments and respond to the pastoral needs of prisoners as requested. Roman Catholic Chaplains also play their part as members of the multi faith chaplaincy teams in each prison and contribute to the daily round of prison life in a variety of other ways as required by the prison service.

Roman Catholic Chaplains, like all Chaplains, receive regular training and development opportunities provided by the prison service.

#### **Sick and Retired Priests**

Care of our retired priests comes within the remit of the Vicariate for the Clergy. The local Deans still have an important part to play to make our retired priests feel that they remain involved in the life of the local church by attending Deanery conferences if possible as well as other spiritual and social gatherings.

The Retired Priests' Welfare Committee meets several times a year and the practical needs of each retired priest are discussed with the aim that their needs, from housing to healthcare, are met. The Diocese supports priests who have retired from active ministry by providing accommodation and financial assistance. Retired priests also have the services of our Care and Welfare Officer.

Their independence is important to them as it is to us all. Our Care and Welfare Consultant, with her in depth knowledge of the needs of older people coming from her long professional career in nursing, visits our retired men to offer them advice and reassurance about any health issues they may have. It is clear that this is much appreciated and she has a deeper insight into these issues than might another priest.

Our active retired priests are a great help in their willingness to supply cover for holidays, illness etc.

Every year the Bishop meets with the retired priests to celebrate Mass together and then have lunch in a convivial and relaxed atmosphere. The chance to meet up and share stories and anecdotes is enjoyed although some of the stories are re told from previous years.

The annual collection for the retired priests and generous bequests are vital to maintain them in a manner which offers them security after often more than fifty years of service to the people of the Diocese. A specific appeal was made throughout parishes in order to raise additional funds.

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## **DIOCESE OF MIDDLESBROUGH**

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### **TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024**

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#### **Safeguarding**

The Bishop and Trustee Board of Directors are committed to safeguarding children and adults who may be at risk. Safeguarding is a standing item for every ordinary meeting of Trustee Directors, at which the Directors receive and discuss a report from the Safeguarding coordinator. The Safeguarding Sub Committee, formed in 2022 is chaired by Mr Andrew McMillan (Trustee Director) who has significant safeguarding knowledge and experience.

The Safeguarding Team consists of one part-time Safeguarding Coordinator, one full-time Deputy Safeguarding Coordinator and two part time administrators. The Safeguarding Coordinators predominately manage allegations, low level concerns and make timely referrals to statutory agencies when required. The team supports the parishes with safer recruitment which includes, but is not limited to, a Disclosure and Barring Service (DBS) check. The team arranges biennial safeguarding training for Clergy and Parish Safeguarding Representatives (PSR's). The team maintains strong relationships with the Curia, the wider Diocese, statutory agencies and other organisations in order to provide a safe environment.

In December 2023, the Catholic Safeguarding Standards Agency (CSSA) published its report following the audit which was undertaken in September of that year. The audit graded the Diocese of Middlesbrough as "having demonstrated Firm Progress toward meeting the safeguarding standards" and auditors reported that they "found evidence of a long standing commitment to safeguarding that is promoted and modelled by senior leaders". The Diocese will be audited (now called an inspection) again in March 2026.

#### **Liturgy**

We continue to place a great deal of emphasis on all our liturgies, as such we have a wonderful lay faithful who are involved in all aspects of the celebration of Mass. We have good teams of ushers, welcomers, Ministers of the Word and Ministers of Holy Communion. Every year we have training sessions and inspirational days for all our lay faithful; they are an integral part of our Church. Once again, we had a wonderful study day for Ministers of Word and Holy Communion from around our Diocese and our thanks go out to all who assist in organising this, and other events.

The annual pilgrimages to Lourdes and Walsingham continue and were, once again, led by the Bishop and provided opportunities for reflection and faith enhancement.

In each year we have some wonderful liturgies. Most notable of these continues to be the annual Chrism Mass, held at the Cathedral, which brings together the family of the Diocese. We aim to continue the high standards of liturgy throughout our Diocese for this coming year.

#### **Volunteers**

Many parishioners play an active part in parish life and they are central to fulfilling the Mission of the Church in the Diocese playing a vital role in the spiritual, pastoral and social life of their parishes. They serve as Extraordinary Ministers of the Eucharist and the Word, as catechists, welcomers, altar servers, musicians and cleaners. Volunteers also visit the sick and the housebound and raise funds for the purpose of provision of food parcels to families requiring such support. There are also those who work with the diocesan Safeguarding Team to ensure that all volunteers are DBS-checked to the appropriate level for the role that they undertake.

All of these roles provide part of the public benefit required within Charity Commission guidelines and the Trustee Board wishes to express sincere thanks for the work that they do in helping to build and maintain parish communities.

#### **FUTURE PLANS**

Since 2025 is a Jubilee Year, there is, again, the diocesan Jubilee Pilgrimage to Rome and the Diocese travelled between 6th and 11th October led by Bishop Terry.

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## DIocese of Middlesbrough

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### TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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Pope Francis opened the doors of St Peter's Basilica, to commence the Jubilee Year, on 24th December 2024 and the year will end with the closing of the doors on 6th January 2026. Other doors throughout Rome, St John Lateran, St Mary Major and St Paul Outside the Walls, opened at differing times and all three will close on 28th December 2025.

The ninth World Day of the Poor will be held on Sunday, 16th November 2025 with the theme, "You are my hope". This was announced by Pope Leo on 13th June 2025, the feast day of St Anthony of Padua.

Once again, the Diocese has plans for a Lourdes Pilgrimage. The next pilgrimage will take place between 23rd and 30th May 2026. This will be the Diocese's 73rd Lourdes Pilgrimage.

#### RISK ASSESSMENT

The Diocesan Trustee Board has assessed the major risks to which the Diocesan Trust is exposed, in particular, those related to the operation and finances of the Trust, and is satisfied that the systems in place to mitigate our exposure to the major risks are operating effectively. The most significant risks identified were Pastoral risks relating to parish life. The issue of the increasing burden on priests due to serving additional churches and communities was identified as significant. Other risks include declining Mass attendances, reducing numbers of priests in active ministry and the risk of failures in safeguarding matters. The Diocese addresses falling Mass attendance in a number of ways including Youth Mission. The Diocesan Vocations Director is active in seeking suitable candidates for Ordination. In terms of safeguarding, the Diocese has a policy and parishes are monitored for compliance.

#### STATEMENT OF RESERVES

Total reserves at 31 December 2024 amounted to £62,854,939 (2023: £60,713,028) and this is made up of:

Parochial reserves £38,223,335 (2023: £37,267,610) which relate, principally, to the assets and activities of individual parishes, and

Curial reserves £24,631,604 (2023: £23,445,418). Of this £4,184,188 represents the balance on restricted items which is not available for general purposes. Included in that restricted total is £1,440,927 being the amount held in the Retired Priests' Welfare Fund. Details of the restricted funds are included in Note 25 to the accounts. Unrestricted funds amount to £20,447,416 of which £1,107,072 is, in essence, a fixed asset fund. The balance of this is in excess of the £3,414,152 held on behalf of parishes and is sufficient to permit the Trustee to continue in operation and to fulfil its obligations.

This year saw an increase in the valuation of investment properties of £2,188,140 and, an unrealised reduction in the value of listed investments of £191,689.

Total reserves are £62,854,939 and of this free reserves are £2,836,196. However this does not include investments which could be sold if necessary and amount to £5,808,059. If these are included free reserves would be £8,644,255.

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## DIOCESE OF MIDDLESBROUGH

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### TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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#### THE STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee Board is responsible for preparing the Trustee's Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

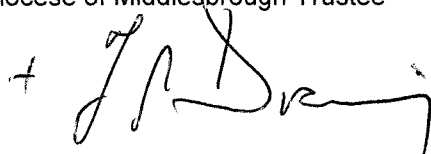
The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements the Trustee is required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) observe the methods and principles in the Charities SORP;
- (c) make judgements and estimates that are reasonable and prudent;
- (d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- (e) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Diocese will continue in operation.

In accordance with charities legislation, the Trustee is responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time, the financial position of the Diocese and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed dated 2 January 1928. The Trustee is also responsible for safeguarding the assets of the Diocese and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of the Trustee and signed on their behalf by:

Rt Rev Bishop T P Draney  
Bishop of Middlesbrough  
Diocese of Middlesbrough Trustee



**Diocese of Middlesbrough Trustee**

Date: 28 October 2025

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## DIOCESE OF MIDDLESBROUGH

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### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF DIOCESE OF MIDDLESBROUGH

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#### UNQUALIFIED OPINION

We have audited the financial statements of Diocese of Middlesbrough (the 'charity') for the year ended 31 December 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

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## **DIOCESE OF MIDDLESBROUGH**

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### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF DIOCESE OF MIDDLESBROUGH (CONTINUED)**

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#### **OTHER INFORMATION**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustee are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustee's report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **RESPONSIBILITIES OF TRUSTEE**

As explained more fully in the Trustees' responsibilities statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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## DIocese OF MIDDLESBROUGH

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### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF DIOCESE OF MIDDLESBROUGH (CONTINUED)

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#### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- Obtained an understanding of the nature of the sector, including the legal and regularity framework that the Diocese operates in and how they are complying with the legal and regularity framework,
- Inquired of management and those charged with governance about their own identification and assessment of the risks of irregularities including any known, actual, suspected or alleged instances of fraud,
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements might be susceptible to fraud.

As a result of these procedures we considered the most significant laws and regulations which have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), and the Diocese' governing document. We performed audit procedures to detect non-compliance which may have a material impact on the financial statements which included reviewing the financial statements including the Trustee's report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Audit procedures performed included, but were not limited to:

- testing manual journal entries and other adjustments
- evaluating the business rationale in relation to significant or unusual transactions and transactions entered into outside the normal course of business
- challenging judgments and estimates
- reviewing income transactions around the year end to look for potential "window dressing".

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.



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**DIOCESE OF MIDDLESBROUGH**

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF DIOCESE OF MIDDLESBROUGH  
(CONTINUED)**

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**USE OF OUR REPORT**

This report is made solely to the Charity's Trustee in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustee those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustee for our audit work, for this report, or for the opinions we have formed.



**Waltons Business Advisers Limited**

Harbour Walk  
The Marina  
Hartlepool  
TS24 0UX

Date: 29 October 2025

Waltons Business Advisers Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**DIOCESE OF MIDDLESBROUGH**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	As restated Total funds 2023 £
<b>INCOME FROM:</b>					
Donations and legacies	4	2,951,972	391,461	3,343,433	3,428,261
Charitable activities	5	452,005	-	452,005	390,204
Other trading activities	6	330,333	69,574	399,907	343,587
Investments	7	2,241,657	32,148	2,273,805	1,894,713
Other income	8	350,926	20,000	370,926	113,624
<b>TOTAL INCOME</b>		<b>6,326,893</b>	<b>513,183</b>	<b>6,840,076</b>	<b>6,170,389</b>
<b>EXPENDITURE ON:</b>					
Raising funds	9	45,413	87,875	133,288	119,706
Charitable activities	10	6,010,743	442,789	6,453,532	6,110,154
<b>TOTAL EXPENDITURE</b>		<b>6,056,156</b>	<b>530,664</b>	<b>6,586,820</b>	<b>6,229,860</b>
<b>NET INCOME/(EXPENDITURE) BEFORE NET GAINS/(LOSSES) ON INVESTMENTS</b>					
		270,737	(17,481)	253,256	(59,471)
Net gains/(losses) on investments		1,888,655	-	1,888,655	(749,671)
<b>NET INCOME/(EXPENDITURE)</b>		<b>2,159,392</b>	<b>(17,481)</b>	<b>2,141,911</b>	<b>(809,142)</b>
Transfers between funds	25	(33,501)	33,501	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>2,125,891</b>	<b>16,020</b>	<b>2,141,911</b>	<b>(809,142)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward as previously stated		55,924,075	4,788,953	60,713,028	58,780,824
Prior year adjustment		-	-	-	2,741,346
Total funds brought forward as restated		55,924,075	4,788,953	60,713,028	61,522,170
Net movement in funds		2,125,891	16,020	2,141,911	(809,142)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>58,049,966</b>	<b>4,804,973</b>	<b>62,854,939</b>	<b>60,713,028</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 47 form part of these financial statements.

**DIOCESE OF MIDDLESBROUGH**

**BALANCE SHEET  
AS AT 31 DECEMBER 2024**

	Note	2024 £	As restated 2023 £
<b>FIXED ASSETS</b>			
Tangible assets	16	9,966,938	10,252,905
Investments	19	5,808,059	5,995,134
Investment property	18	39,438,773	40,233,306
		<u>55,213,770</u>	<u>56,481,345</u>
<b>CURRENT ASSETS</b>			
Debtors due after more than 1 year		689,147	687,425
Debtors due within 1 year		347,180	598,912
Investments	21	4,294,917	4,498,832
Cash at bank and in hand		16,742,468	12,730,601
		<u>22,073,712</u>	<u>18,515,770</u>
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within one year	22	(14,037,359)	(13,860,952)
<b>NET CURRENT ASSETS</b>		<u>8,036,353</u>	<u>4,654,818</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>63,250,123</u>	<u>61,136,163</u>
Creditors: amounts falling due after more than one year	23	(395,184)	(423,135)
<b>TOTAL NET ASSETS</b>		<u><u>62,854,939</u></u>	<u><u>60,713,028</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	25	4,804,973	4,788,953
Unrestricted funds			
Designated funds	25	1,239,411	1,261,250
General funds	25	56,810,555	54,662,825
Total unrestricted funds	25	<u>58,049,966</u>	<u>55,924,075</u>
<b>TOTAL FUNDS</b>		<u><u>62,854,939</u></u>	<u><u>60,713,028</u></u>

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**DIOCESE OF MIDDLESBROUGH**

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**BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2024**

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The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:



**Rt Rev Bishop T P Draney  
Bishop of Middlesbrough  
Diocese of Middlesbrough Trustee**

Date: 28/10/2025

The notes on pages 20 to 47 form part of these financial statements.

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**DIOCESE OF MIDDLESBROUGH**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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	2024 £	2023 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net cash used in operating activities	(1,797,333)	(1,044,890)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends, interests and rents from investments	2,273,805	1,894,713
Proceeds from the sale of tangible fixed assets	365,000	-
Purchase of tangible fixed assets	(10,020)	(457,199)
Proceeds from sale of investments	3,636,933	323,389
Purchase of investments	(562,755)	(947,785)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	5,702,963	813,118
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of borrowing	(127,951)	(227,951)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	(127,951)	(227,951)
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	3,777,679	(459,723)
Cash and cash equivalents at the beginning of the year	6,459,947	6,919,670
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	10,237,626	6,459,947

The notes on pages 20 to 47 form part of these financial statements

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## DIocese OF MIDDLESBROUGH

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 1. GENERAL INFORMATION

The Roman Catholic Diocese of Middlesbrough is governed by a Trust Deed dated 2 January 1928 and is registered with the Charity Commission of England and Wales (No 233748). The sole Trustee of the charity is a Trust Corporation which was incorporated on 17 December 1997.

The registered office address is:

Curial Offices  
50a The Avenue  
Middlesbrough  
TS5 6QT

#### 2. ACCOUNTING POLICIES

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Diocese of Middlesbrough 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.

##### 2.2 Going concern

The financial statements are prepared on a going concern basis and the Trustee considers that there are no material uncertainties about the Diocese's ability to continue as a going concern.

##### 2.3 Subsidiary company

All of the turnover of the Diocese's wholly owned subsidiary, Diocesan Property Management Limited, represents sales of building construction to the Diocese. The subsidiary has no material net assets or liabilities. There is no significant difference between the Statement of Financial Activities and the Balance Sheet of the Diocese, as presented, and the consolidated group figures, and accordingly the subsidiary has not been consolidated within these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.4 Income**

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Diocese has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Diocese, can be reliably measured.

In the event that a donation is subject to conditions which require a level of performance before the Diocese is entitled to the funds, the income is deferred and not recognised until those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Diocese and it is probable that those conditions will be fulfilled in the reporting period. Collections and Fundraising income are recognised on receipt.

Investment income is credited to income when it is receivable and the amount can be measured reliably by the Diocese; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds includes all expenditure incurred by the Diocese to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Diocese's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.6 Tangible fixed assets and depreciation- Freehold land and buildings**

**Churches, Presbyteries, Halls and Offices etc**

Functional Land and Buildings (i.e. Land and buildings used for the prime purpose of the Diocese), which are still in use by the Diocese are included in the financial statements at original cost or where this is not available at an estimate of their Historic cost (or in the case of donated buildings, at an estimate of their fair value at the date of receipt). All new functional buildings, improvements and major renovations are capitalised at the cost of construction.

Buildings are depreciated at rates calculated to write off their estimated Historic cost (less the estimated residual value) evenly over the whole of their useful life.

The estimate of the useful life of a building varies on the condition and future use of the building, however, in general, it is expected that a building in a reasonable state of repair will continue in use without major renovation or improvements for the following period:

• Unlisted Churches	25 to 100 years
• Cathedral and Listed Churches	100 to 200 years
• Presbyteries	25 to 100 years
• Other buildings	25 to 100 years

Depreciation rates are calculated using the age of the building and its expected useful life.

Details and addresses of the Diocesan churches and other buildings can be found in the Diocesan Yearbook.

**Voluntary Aided Schools and Academies**

**Land**

The Diocese owns the land on which its Voluntary Aided Schools and Academies are built. The nature of the occupation of the land by these exempt and excepted charities means that the Diocesan Trustee does not have the power to dispose of the land, until the school ceases its occupation, which in turn would require the approval of the governors and the Secretary of State. The Diocesan Trustee considers its ownership to be in the nature of custodianship of the assets and therefore these are not capitalised in the financial statements. The cost of any land acquired for the purposes of a Voluntary Aided School or Academy is charged to the Statement of Financial Activity in the year of acquisition.

If a school is empty and subsequently the land is to be sold then it will be valued in line with expected sale proceeds as soon as a reasonable offer of purchase has been made.

**Buildings**

The School buildings are occupied, extended and repaired by the school governors. The nature of the occupation of these buildings by these exempt and excepted charities means that the Diocesan Trustee does not have the power to dispose of the buildings, until the school ceases its occupation, which in turn would require the approval of the governors and the Secretary of State. Any proceeds of sale would be subject to clawback by the Secretary of State of any related grant aid provided. The Diocesan Trustee considers its ownership to be in the nature of custodianship of the assets and therefore these are not capitalised in the financial statements. The School governors account for the building, improvement and repair costs of the schools less any grants received in respect of these costs.

Details of the Diocesan Voluntary Aided Schools and Academies (both freehold and leasehold) are given in the Diocesan Yearbook.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.7 Tangible fixed assets and depreciation - other assets**

**Fixtures, Fittings and Equipment**

Fixtures, Fittings and Equipment which were in use at 31 December 1995 and which had a current replacement cost exceeding £1,000, have been capitalised and included in the financial statements at an estimate of their Historic cost (or in the case of donated assets, at an estimate of the value at the date of acquisition). Subsequent acquisitions with a cost (or in the case of donated assets, estimated value) of over £1,000 are capitalised on the same basis. They are depreciated at rates calculated to write off the cost or valuation, less the estimated residual value, of each asset evenly over its expected useful life as follows:

- |                         |                 |
|-------------------------|-----------------|
| • Church Furniture      | 25 to 200 years |
| • Office Equipment      | 3 to 5 years    |
| • Parish Hall Equipment | 20 years        |

Contents of presbyteries are not included in the financial statements.

**Works of Art and Historic Treasures**

The Diocese owns several individual Works of Art and Historic Treasures and Plate. The items have extraordinarily long lives and are worth preserving perpetually. The collection is not recognised in the Balance Sheet because details of the cost of these items are not available and the cost to the Diocese of obtaining valuations would exceed the benefit arising from doing so.

**Motor Vehicles**

Motor Vehicles have been capitalised and included in the financial statements at an estimate of their Historic cost (or in the case of donated assets, at an estimate of the value at the date of acquisition), and are depreciated at rates calculated to write off the cost or valuation, less the estimated residual value of each asset, over its expected useful life as follows:

- |              |                      |
|--------------|----------------------|
| • Motor Cars | 25% Reducing Balance |
|--------------|----------------------|

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries and associates are valued at cost less provision for impairment.

Investment properties are shown at the Trustees' best estimate of market value which reflects the annual movement on the house price index for the Diocesan geographical location and other known circumstances. All changes in value during the year are reported in "Gains and Losses on Revaluation and Investment Asset Disposals" section of the Statement of Financial Activities.

Current asset investments are designated as such as they are highly liquid and the Diocese has specified that they be made readily available to convert to cash within a short term notice period of no longer than 6 months.

**2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.10 Cash at bank and in hand**

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

**2.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Diocese anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.12 Financial instruments**

The Diocese only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.13 Pensions**

The Diocese contributes 6% of gross salary to a group personal pension scheme for staff who elect to join. The scheme is a defined contributions scheme and the pension charge represents the amounts payable by the Diocese to the fund in respect of the year.

Eligible teachers and former teachers subscribe to the Teacher's Pension Scheme (TPS) superannuation scheme which is a defined benefits scheme. The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Diocese in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multiemployer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**2.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Diocese and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Diocese for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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## DIocese of Middlesbrough

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Diocese makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimate and assumption that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below.

The Trustee has made the decision not to commission an external valuer to value Investment property. Instead the Investment property is revalued annually using the UK House Price Index Summary prepared by the ONS. The Diocese has properties in both the North East and York regions and therefore uses these values to inform the current year revaluation. To December 2024 the average house price increase was 6.7% in the North East and 5.9% in Yorkshire and the Humber. An annual increase of 5.9% has been applied to all investment property as the Trustee believed this to be representative of the portfolio.

Had property not been revalued it would be included at historic cost and this is disclosed in note 18.

#### 4. INCOME FROM DONATIONS AND LEGACIES

	Parochial Unrestricted Funds £	Parochial Restricted Funds £	Curial Unrestricted Funds £	Curial Restricted Funds £	Total £	Total 2023 £
Donations	2,653,499	264,809	17,013	60,436	2,995,757	2,827,950
Legacies	213,115	53,960	68,345	12,256	347,676	600,311
Total 2024	<u>2,866,614</u>	<u>318,769</u>	<u>85,358</u>	<u>72,692</u>	<u>3,343,433</u>	<u>3,428,261</u>
Total 2023	<u>2,628,214</u>	<u>298,729</u>	<u>267,732</u>	<u>233,586</u>	<u>3,428,261</u>	

**DIOCESE OF MIDDLESBROUGH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**5. INCOME FROM CHARITABLE ACTIVITIES**

	Parochial Unrestricted Funds £	Curial Unrestricted Funds £	Total £	Total 2023 £
School Service Contribution	-	264,725	264,725	226,492
Stipends	187,280	-	187,280	163,712
Total 2024	187,280	264,725	452,005	390,204
Total 2023	163,712	226,492	390,204	

**6. INCOME FROM FUNDRAISING ACTIVITIES**

	Parochial Unrestricted Funds £	Curial Restricted Funds £	Total £	Total 2023 £
Fundraising	221,090	69,574	290,664	245,924
Papers, candles & piety stalls	109,243	-	109,243	97,663
Total 2024	330,333	69,574	399,907	343,587
Total 2023	279,645	63,942	343,587	

**7. INVESTMENT INCOME**

	Parochial Unrestricted Funds £	Curial Unrestricted Funds £	Curial Restricted Funds £	Total £	Total 2023 £
Rents and hire fees	688,311	649,134	9,576	1,347,021	1,266,884
Investment income	-	540,504	348	540,852	482,734
Bank interest received	90,016	273,692	22,224	385,932	145,095
Total 2024	778,327	1,463,330	32,148	2,273,805	1,894,713
Total 2023	781,468	1,082,457	30,788	1,894,713	

**DIOCESE OF MIDDLESBROUGH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**8. OTHER INCOMING RESOURCES**

	Parochial Unrestricted Funds £	Curial Unrestricted Funds £	Curial Restricted Funds £	Total £	Total 2023 £
Gain/ (loss) on sale of fixed assets	253,181	-	-	253,181	-
Other income	49,245	48,500	20,000	117,745	113,624
Total 2024	302,426	48,500	20,000	370,926	113,624
Total 2023	67,447	46,177	-	113,624	

**9. RAISING FUNDS**

Summary by fund type	Parochial Unrestricted Funds £	Curial Restricted Funds £	Total £	Total 2023 £
Raising funds	45,413	87,875	133,288	119,706
Total 2024	45,413	87,875	133,288	119,706
Total 2023	10,650	109,056	119,706	

**10. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Parochial	3,845,936	186,883	4,032,819	3,799,217
Curial	2,164,807	255,906	2,420,713	2,310,937
	6,010,743	442,789	6,453,532	6,110,154
Total 2023	5,615,640	494,514	6,110,154	

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DIOCESE OF MIDDLESBROUGH

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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11. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Parochial	4,032,819	-	4,032,819	3,799,217
Curial	1,905,680	515,033	2,420,713	2,310,937
	<u>5,938,499</u>	<u>515,033</u>	<u>6,453,532</u>	<u>6,110,154</u>
<i>Total 2023</i>	<u>5,667,312</u>	<u>442,842</u>	<u>6,110,154</u>	

**DIOCESE OF MIDDLESBROUGH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**11. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF DIRECT COSTS**

	<b>Parochial 2024 £</b>	<b>Curial 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Staff costs	-	612,792	612,792	742,755
Depreciation	153,242	30,926	184,168	184,488
Repairs, Maintenance & Upkeep of properties	1,041,812	355,182	1,396,994	1,261,310
Establishment costs	1,080,521	-	1,080,521	1,029,177
Administration	375,990	-	375,990	312,180
Domestic	193,656	-	193,656	153,026
Motor and travel	130,393	-	130,393	114,710
General Church expenses	245,621	-	245,621	181,863
Bishop & Clergy Support	-	208,619	208,619	199,280
Schools	-	51,040	51,040	49,753
Donations	78,616	14,569	93,185	234,187
Special collections	133,543	45,241	178,784	106,781
Sundries	11,379	-	11,379	75,059
Priest training	-	23,693	23,693	42,544
Youth Service	-	7,257	7,257	3,433
Services to Parishes & Chaplaincies	552,716	156,561	709,277	638,092
Retired Priest Welfare fund	-	226,837	226,837	161,086
Justice & Peace	-	3,000	3,000	3,000
National assessments	-	25,976	25,976	25,974
Finance charges	35,330	59,382	94,712	95,853
Governance costs	-	84,418	84,418	52,327
Diocesan events	-	187	187	434
	<b>4,032,819</b>	<b>1,905,680</b>	<b>5,938,499</b>	<b>5,667,312</b>
<i>Total 2023</i>	<i>3,799,217</i>	<i>1,868,095</i>	<i>5,667,312</i>	



**DIOCESE OF MIDDLESBROUGH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**11. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	<b>Curial 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Staff costs	394,841	394,841	353,742
Establishment costs	34,583	34,583	35,609
Administration	26,196	26,196	26,317
Motor and travel	14,810	14,810	12,990
Bishop & Clergy Support	44,603	44,603	14,184
	<u>515,033</u>	<u>515,033</u>	<u>442,842</u>

**12. AUDITORS' REMUNERATION**

	<b>2024 £</b>	<i>2023 £</i>
Fees payable to the Diocese's auditor for the audit of the Diocese's annual financial statements	19,100	17,325
Fees payable to the Diocese's auditor in respect of: Accountancy and taxation advice	<u>5,200</u>	<u>5,195</u>

**13. STAFF COSTS**

	<b>2024 £</b>	<i>2023 £</i>
Wages and salaries	842,153	761,549
Social security costs	81,362	71,888
Contribution to defined contribution pension schemes	84,118	263,060
	<u>1,007,633</u>	<u>1,096,497</u>

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**DIOCESE OF MIDDLESBROUGH**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**13. STAFF COSTS (CONTINUED)**

The average number of persons employed by the Diocese during the year was as follows:

	<b>2024</b>	<i>2023</i>
	<b>No.</b>	<i>No.</i>
Curial employees	<b>25</b>	<i>24</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2024</b>	<i>2023</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	<b>1</b>	<i>1</i>
In the band £70,001 - £80,000	<b>-</b>	<i>1</i>
In the band £80,001 - £90,000	<b>2</b>	<i>1</i>
In the band £100,001 - £110,000	<b>1</b>	<i>-</i>

Total remuneration to key management personnel in the year (including pension and employers NI) was £291,676 (2023 - £272,418).

**14. TRUSTEE'S REMUNERATION AND EXPENSES**

During the year, no Trustee received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 December 2024, no Trustee expenses have been incurred (2023 - £NIL).

**DIOCESE OF MIDDLESBROUGH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**15. NET GAINS/LOSSES ON INVESTMENTS**

	Parochial Unrestricted Funds £	Curial Unrestricted Funds £	Total £	Total 2023 £
Realised gains	100,101	21,203	121,304	(13,141)
Unrealised gains	1,124,703	642,648	1,767,351	(736,530)
Total 2024	1,224,804	663,851	1,888,655	(749,671)
Total 2023	(200,190)	(549,481)	(749,671)	

**16. TANGIBLE FIXED ASSETS**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>					
At 1 January 2024	14,717,666	63,173	810,636	103,005	15,694,480
Additions	-	4,785	-	5,235	10,020
Disposals	(169,655)	-	-	-	(169,655)
At 31 December 2024	14,548,011	67,958	810,636	108,240	15,534,845
<b>Depreciation</b>					
At 1 January 2024	4,922,943	30,505	408,737	79,390	5,441,575
Charge for the year	154,044	10,128	12,766	7,230	184,168
On disposals	(57,836)	-	-	-	(57,836)
At 31 December 2024	5,019,151	40,633	421,503	86,620	5,567,907
<b>Net book value</b>					
At 31 December 2024	9,528,860	27,325	389,133	21,620	9,966,938
At 31 December 2023	9,794,723	32,668	401,899	23,615	10,252,905

DIOCESE OF MIDDLESBROUGH

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

17. TANGIBLE FIXED ASSET SPLIT

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office Equipment £	Total £
<b>Curial</b>					
<b>Cost</b>					
At 1 January 2024	1,445,040	63,173	-	103,005	1,611,218
Additions	-	4,785	-	5,235	10,020
At 31 December 2024	1,445,040	67,958	-	108,240	1,621,238
<b>Depreciation</b>					
At 1 January 2024	372,553	30,505	-	79,390	482,448
Charge for year	13,568	10,128	-	7,230	30,926
At 31 December 2024	386,121	40,633	-	86,620	513,374
<b>Net book value</b>					
At 31 December 2024	1,058,919	27,325	-	21,620	1,107,864
At 1 January 2024	1,072,487	32,668	-	23,615	1,128,770
<b>Parochial</b>					
<b>Cost</b>					
At 1 January 2024	13,272,626	-	810,636	-	14,083,262
Disposals	(169,655)	-	-	-	(169,655)
At 31 December 2024	13,102,971	-	810,636	-	13,913,607
<b>Depreciation</b>					
At 1 January 2024	4,550,390	-	408,737	-	4,959,127
Charge for year	140,476	-	12,766	-	153,242
On disposals	(57,836)	-	-	-	(57,836)
At 31 December 2024	4,633,030	-	421,503	-	5,054,533
<b>Net book value</b>					
At 31 December 2024	8,469,941	-	389,133	-	8,859,074
At 1 January 2024	8,722,236	-	401,899	-	9,124,135
<b>Total 2024</b>	<b>9,528,860</b>	<b>27,325</b>	<b>389,133</b>	<b>21,620</b>	<b>9,966,938</b>
<b>Total 2023</b>	<b>9,794,723</b>	<b>32,668</b>	<b>401,899</b>	<b>23,615</b>	<b>10,252,905</b>

## DIOCESE OF MIDDLESBROUGH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 18. INVESTMENT PROPERTY

	Parochial £	Curial £	Total £
<b>Valuation</b>			
At 1 January 2024 (as restated)	19,006,947	21,226,359	40,233,306
Additions	35,330	9,072	44,402
Disposals	(149)	(3,026,927)	(3,027,076)
Revaluation	1,124,703	1,063,438	2,188,141
At 31 December 2024	<u>20,166,831</u>	<u>19,271,942</u>	<u>39,438,773</u>

As explained in the accounting policies investment properties are shown at the Trustees' best estimate of market value which reflects the annual movement on the house price index for the Diocesan geographical location and other known circumstances.

There are no restrictions on the ability to realise investment property or on the remittance of income or proceeds on disposal.

The historical cost of investment property (Curial) on 31 December 2024 was £11,932,582 (2023: £11,932,582). See also note 25.

#### 19. FIXED ASSET INVESTMENTS- CURIAL

	Investments in subsidiary companies £	Investments in associates £	Listed investments £	Unlisted investments £	Total £
<b>Cost or valuation</b>					
At 1 January 2024	2	4,000	5,983,266	7,866	5,995,134
Additions	-	-	59,023	181,878	240,901
Disposals	-	-	(229,235)	-	(229,235)
Revaluations	-	-	(191,689)	-	(191,689)
Investment manager fees	-	-	-	(7,052)	(7,052)
At 31 December 2024	<u>2</u>	<u>4,000</u>	<u>5,621,365</u>	<u>182,692</u>	<u>5,808,059</u>

The Historical cost of listed investments on 31 December 2024 was £6,586,103 (2023: £6,596,234).

Included within the listed investment balance above are no balances which represent more than 5% of the total (1 January 2024 - no balances).

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## DIOCESE OF MIDDLESBROUGH

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 19. FIXED ASSET INVESTMENTS- CURIAL (CONTINUED)

##### Principal subsidiaries and associates

The following was a subsidiary undertaking of the Diocese:

Name	Company number	Principal activity	Holding	Included in consolidation
Diocesan Property Management Limited	02960826	Building contractor and property developer	100%	Yes

The financial results of the subsidiary for the year were:

Name	Expenditure £	(Loss) for the year £	Net assets/ (liabilities) £
Diocesan Property Management Limited	891	(891)	(16,470)

The following was an associate of the Diocese:

Name	Income for the year £	Expenditure for the year £	Profit / (Loss) for the year £
Inter-Diocesean Fuel Management Limited	31,306,224	(30,690,324)	508

The Diocese holds 4.35% (2023: 4.35%) of the ordinary shares of Inter-Diocesean Fuel Management Limited. The principal activity of Inter-Diocesean Fuel Management Limited is that of fuel and power distribution to various Roman Catholic Dioceses throughout England.

DIOCESE OF MIDDLESBROUGH

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

**20. DEBTORS**

	Curial 2024 £	Total 2024 £	Total 2023 £
<b>Debtors in over 1 year:</b>			
Amounts owed by group companies	689,147	689,147	687,425
<b>Debtors within 1 year:</b>			
Trade debtors	36,455	36,455	59,713
Other debtors	85,305	85,305	115,185
Other debtors - school loans	121,524	121,524	212,153
Prepayments and accrued income	103,896	103,896	211,861
	<u>347,180</u>	<u>347,180</u>	<u>598,912</u>
<b>Total</b>	<u><u>1,036,327</u></u>	<u><u>1,036,327</u></u>	<u><u>1,286,337</u></u>

**21. CURRENT ASSET INVESTMENTS- CURIAL**

	2024 £	2023 £
Listed investments	4,109,814	4,493,335
Unlisted investments	185,103	5,497
	<u><u>4,294,917</u></u>	<u><u>4,498,832</u></u>

The Historical cost of listed investments on 31 December 2024 was £5,016,572 (2023: £4,603,942).

## DIOCESE OF MIDDLESBROUGH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 22. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Parochial 2024 £	Curial 2024 £	Total 2024 £	<i>Total</i> 2023 £
Bank overdrafts	-	6,504,842	6,504,842	6,270,654
Bank loans < 1 yr	-	27,951	27,951	27,951
Loans < 1 yr	-	5,589,040	5,589,040	5,689,040
Trade creditors	-	73,081	73,081	39,947
Other taxation and social security	-	22,808	22,808	22,247
Other creditors	-	145,837	145,837	137,690
Other creditors - school loans	-	1,325,103	1,325,103	1,325,105
Accruals	48,797	299,900	348,697	348,318
	<u>48,797</u>	<u>13,988,562</u>	<u>14,037,359</u>	<u>13,860,952</u>

#### 23. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Curial 2024 £	Total 2024 £	<i>Total</i> 2023 £
Bank loans	395,184	395,184	423,135
	<u>395,184</u>	<u>395,184</u>	<u>423,135</u>

The bank loan is secured on property owned by the Diocese. This security is over approximately £7m of the full property portfolio. The interest rate is charged at 3.6% over LIBOR payable quarterly with the facility repayable in full at the maturity date of March 2027.

#### 24. PRIOR YEAR ADJUSTMENTS

An adjustment has been made to the prior year comparatives in order to reflect the value of a plot of land sold in the current year.

The sale value of this land was known by the 31 December 2022 and therefore the value of the investment should have been adjusted at that point.

This adjustment has increased the value of investment property and the revaluation reserve brought forward by £2,741,346.



DIOCESE OF MIDDLESBROUGH

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

25. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	As restated Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2024 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
St John of Beverley Designated fund	563,882	9,568	-	(23,207)	-	550,243
John Paul Centre Designated Fund	305,156	6,369	(14,569)	-	-	296,956
Parochial Designated funds	392,212	-	-	-	-	392,212
	<u>1,261,250</u>	<u>15,937</u>	<u>(14,569)</u>	<u>(23,207)</u>	<u>-</u>	<u>1,239,411</u>
<b>General funds</b>						
Unrestricted funds Parochial	36,386,499	4,464,980	(3,891,349)	(974,596)	1,224,804	37,210,338
Unrestricted funds Curial	8,902,962	1,845,976	(2,150,238)	3,729,400	(398,250)	11,929,850
Revaluation reserve Curial	9,373,364	-	-	(2,765,098)	1,062,101	7,670,367
	<u>54,662,825</u>	<u>6,310,956</u>	<u>(6,041,587)</u>	<u>(10,294)</u>	<u>1,888,655</u>	<u>56,810,555</u>
<b>Total Unrestricted funds</b>	<u>55,924,075</u>	<u>6,326,893</u>	<u>(6,056,156)</u>	<u>(33,501)</u>	<u>1,888,655</u>	<u>58,049,966</u>

DIOCESE OF MIDDLESBROUGH

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

25. STATEMENT OF FUNDS (CONTINUED)

	As restated Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2024 £
<b>Restricted funds</b>						
Retired Priests Welfare Fund	1,542,502	43,907	(160,907)	15,425	-	1,440,927
Priests' Training Fund	1,684,438	52,413	(44,708)	-	-	1,692,143
Lacy Fund	365,715	-	47,255	-	-	412,970
Lourdes Sick Fund	206,834	74,041	(88,007)	4,895	-	197,763
Catholic Child Care	120,712	1,525	-	(1,583)	-	120,654
Cecil H Walker Memorial Fund	101,301	1,013	-	-	-	102,314
Mike McCullagh Memorial Trust Fund	68,143	1,029	-	-	-	69,172
Mathias Smyth Memorial Masses Fund	43,167	-	(6,900)	-	-	36,267
Levy Fund (Active Priests)	40,742	-	-	-	-	40,742
Common Stock	37,598	-	(376)	376	-	37,598
Mensal Fund	33,219	332	(18,031)	15,000	-	30,520
Parochial Restricted funds	488,899	318,769	(186,883)	-	-	620,785
Other Restricted funds below £25k each	55,683	20,154	(72,107)	(612)	-	3,118
	<u>4,788,953</u>	<u>513,183</u>	<u>(530,664)</u>	<u>33,501</u>	<u>-</u>	<u>4,804,973</u>
<b>Total of funds</b>	<u>60,713,028</u>	<u>6,840,076</u>	<u>(6,586,820)</u>	<u>-</u>	<u>1,888,655</u>	<u>62,854,939</u>

DIOCESE OF MIDDLESBROUGH

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

25. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>As restated Balance at 1 January 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2023 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
St John of Beverley Designated fund	587,089	-	-	(23,207)	-	563,882
John Paul Centre Designated Fund	345,313	9,843	(50,000)	-	-	305,156
Parochial Designated funds	392,212	-	-	-	-	392,212
	<u>1,324,614</u>	<u>9,843</u>	<u>(50,000)</u>	<u>(23,207)</u>	<u>-</u>	<u>1,261,250</u>
<b>General funds</b>						
Unrestricted funds Parochial	36,950,622	3,920,486	(3,553,472)	(730,947)	(200,190)	36,386,499
Unrestricted funds Curial	9,435,118	1,613,015	(2,022,818)	278,125	(400,478)	8,902,962
Revaluation reserve Curial	9,141,936	-	-	380,431	(149,003)	9,373,364
	<u>55,527,676</u>	<u>5,533,501</u>	<u>(5,576,290)</u>	<u>(72,391)</u>	<u>(749,671)</u>	<u>54,662,825</u>
<b>Total Unrestricted funds</b>	<u>56,852,290</u>	<u>5,543,344</u>	<u>(5,626,290)</u>	<u>(95,598)</u>	<u>(749,671)</u>	<u>55,924,075</u>

DIOCESE OF MIDDLESBROUGH

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**25. STATEMENT OF FUNDS (CONTINUED)**

	<i>As restated Balance at 1 January 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2023 £</i>
<b>Restricted funds</b>						
Retired Priests Welfare Fund	1,605,640	28,763	(163,457)	71,556	-	1,542,502
Priests' Training Fund	1,495,438	228,379	(39,379)	-	-	1,684,438
Lacy Fund	333,592	-	32,123	-	-	365,715
Lourdes Sick Fund	244,586	66,388	(109,140)	5,000	-	206,834
Catholic Child Care	118,558	2,054	-	100	-	120,712
Cecil H Walker Memorial Fund	100,298	1,003	-	-	-	101,301
Mike McCullagh Memorial Trust Fund	67,090	1,053	-	-	-	68,143
Mathias Smyth Memorial Masses Fund	46,867	-	(3,700)	-	-	43,167
Levy Fund (Active Priests)	40,742	-	-	-	-	40,742
Common Stock	37,598	-	(376)	376	-	37,598
Mensal Fund	35,218	352	(17,351)	15,000	-	33,219
Parochial Restricted funds	446,565	298,729	(256,395)	-	-	488,899
Other Restricted funds below £25k each	97,688	324	(45,895)	3,566	-	55,683
	<u>4,669,880</u>	<u>627,045</u>	<u>(603,570)</u>	<u>95,598</u>	<u>-</u>	<u>4,788,953</u>
<b>Total of funds</b>	<u>61,522,170</u>	<u>6,170,389</u>	<u>(6,229,860)</u>	<u>-</u>	<u>(749,671)</u>	<u>60,713,028</u>

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## DIOCESE OF MIDDLESBROUGH

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 25. STATEMENT OF FUNDS (CONTINUED)

##### **Designated funds**

These represent funds set aside for the maintenance of buildings.

##### **Unrestricted Funds**

These include both Parish and Curial funds which are shown separately. The revaluation reserve reflects the difference between the historic cost and current fair value on the investment properties held within Curial funds. The historic cost of the Parish Investment properties is not known and therefore no revaluation reserve is provided.

##### **Restricted Funds**

###### Retired Priests Welfare Fund

A fund set up in 1996 to provide support upon retirement for incardinated Diocesan Priests.

###### Priests Training Fund

For training students for the priesthood of this Diocese.

###### Lacy Fund

To meet pension requirements of retired clergy.

###### Lourdes Sick Fund

For pilgrimages to Lourdes.

###### Catholic Child Care

Provides a fostering and adoption service.

###### Cecil H Walker Memorial Fund

For the support of retired priests of the Diocese; in particular those who have spent part or all of their ministry in the Southern areas of the Diocese.

###### Mike McCullagh Memorial Trust Fund

Supporting junior football, prison visiting and sick children in the Tees Valley.

###### Mathias Smyth Memorial Masses Fund

Masses for the repose of the souls of Matthias Smyth and his family.

###### Levy Fund (Active Priests)

To provide a pension for each active priest on their retirement.

###### Mensal Fund

Deals with the income and costs of the Bishop of Middlesbrough and his administration.

###### Church Extension Fund

To assist the new churches and Mass centres of the Diocese.

###### Parochial Restricted Funds

Restricted funds belong to the individual parishes.

DIOCESE OF MIDDLESBROUGH

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

26. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	9,966,938	-	9,966,938
Fixed asset investments	5,808,059	-	5,808,059
Investment property	39,438,773	-	39,438,773
Debtors due after more than one year	689,147	-	689,147
Current assets	16,579,592	4,804,973	21,384,565
Creditors due within one year	(14,037,359)	-	(14,037,359)
Creditors due in more than one year	(395,184)	-	(395,184)
<b>Total</b>	<b>58,049,966</b>	<b>4,804,973</b>	<b>62,854,939</b>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	<i>As restated</i> Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	10,252,905	-	10,252,905
Fixed asset investments	5,995,134	-	5,995,134
Investment property	40,233,306	-	40,233,306
Debtors due after more than one year	687,425	-	687,425
Current assets	13,039,392	4,788,953	17,828,345
Creditors due within one year	(13,860,952)	-	(13,860,952)
Creditors due in more than one year	(423,135)	-	(423,135)
<b>Total</b>	<b>55,924,075</b>	<b>4,788,953</b>	<b>60,713,028</b>

**DIOCESE OF MIDDLESBROUGH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**27. AMOUNTS DUE TO & FROM PARISHES FROM CURIAL**

	Amounts due to Parishes	Amounts due from Parishes	Total
Balance at 1 January 2024	7,936,392	(4,249,238)	3,687,154
Parish Levy	-	(974,596)	(974,596)
Legacy recieved	128,356	-	128,356
Expenditure by Diocese on behalf of Parishes	(224,533)	(237,819)	(462,352)
Transfers and repayments of loans	(113,427)	184,046	70,619
Sale of property	465,250	-	465,250
Rent and interest	108,741	16,670	125,411
Parish Levy paid		374,310	374,310
	<u>8,300,779</u>	<u>(4,886,627)</u>	<u>3,414,152</u>
Balance at 31 December 2024			

**28. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	<u>2,141,911</u>	<u>(809,142)</u>
<b>Adjustments for:</b>		
Depreciation charges	184,168	184,488
Gains on investments	(1,788,554)	702,730
Dividends, interests and rents from investments	(2,273,805)	(1,894,713)
Decrease/(increase) in debtors	250,010	(18,446)
Increase in creditors	42,219	743,252
Loss/(profit) on sale of investment property	(100,101)	46,941
Loss/(profit) on sale of fixed assets	(253,181)	-
<b>Net cash used in operating activities</b>	<u><u>(1,797,333)</u></u>	<u><u>(1,044,890)</u></u>

## DIOCESE OF MIDDLESBROUGH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 29. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand	16,742,468	12,730,601
Overdraft facility repayable on demand	(6,504,842)	(6,270,654)
<b>Total cash and cash equivalents</b>	<b>10,237,626</b>	<b>6,459,947</b>

#### 30. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	12,730,601	4,011,867	16,742,468
Bank overdrafts repayable on demand	(6,270,654)	(234,188)	(6,504,842)
Debt due within 1 year	(5,716,991)	100,000	(5,616,991)
Debt due after 1 year	(423,135)	27,951	(395,184)
Liquid investments	4,498,832	(203,915)	4,294,917
	<b>4,818,653</b>	<b>3,701,715</b>	<b>8,520,368</b>

#### 31. PENSION COMMITMENTS

The Diocese contributes 6% of gross salary to a group personal pension scheme for staff who elect to join. The scheme is a defined contributions scheme for which the Diocese is neither liable to finance any funding shortfall nor entitled to benefit from any over funding. At the year end pension contributions outstanding were £12,579 (2023: £4,325).

Eligible teachers and former teachers subscribe to the Teacher's Pension Scheme (TPS) superannuation scheme which is a defined benefits scheme. The employer's contribution is set by the TPS. The TPS represents a collective scheme as it is not possible to separately identify the assets and liabilities attributable to a particular employer. Hence the employer has neither a commitment to make good any actuarial deficit nor an entitlement to benefit from any over funding. Under the provisions of FRS102 the accounting treatment for the TPS scheme is as if the scheme were a defined contributions scheme. The pension charge for the year includes contributions payable to the TPS of £58,552 and at the year end £5,120 (2023: £4,325) was accrued in respect of contributions to this scheme (Included in total above).



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**DIOCESE OF MIDDLESBROUGH**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**32. RELATED PARTY TRANSACTIONS**

During the year purchases of £2,001 and sales of £181,604 were made to companies in which Directors of the Diocese of Middlesbrough Trustee are involved as either Trustee or Director. At the year end £nil (2023: £900) was included in Creditors and £nil (2023: £80) in Debtors in respect of these companies.

