

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

England & Wales · Charity number 234331

Details

Other names	LANCASTER ROMAN CATHOLIC DIOCESAN TRUST, LANCASTER ROMAN CATHOLIC DIOCESAN TRUSTEES REGISTERED, DIOCESE OF LANCASTER
Status	Registered
Legal form	Other
Registered	1964-05-19
Register	View on the Charity Commission register

Contact

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Activities

Objects: (1) THE PROVISION MAINTENANCE AND UPKEEP OF CHURCHES PUBLIC CHAPELS AND PRESBYTERIES BELONGING TO OR CONNECTED WITH THE ROMAN CATHOLIC CHURCH IN THE DIOCESE(2) THE PROVISION MAINTENANCE AND CARRYING ON OF THE RELIGIOUS SERVICES OF THE SAID CHURCH IN SUCH CHURCHES AND PUBLIC CHAPELS OR OTHERS OF A LIKE CHARACTER(3) THE PROVISION MAINTENANCE AND UPKEEP OF HOUSES OF STUDY HALLS AND COLLEGES FOR THE EDUCATION AND TRAINING OF PRIESTS AND PERSONS DESIROUS OF BECOMING PRIESTS OF THE SAID CHURCH IN THE DIOCESE OR ELSEWHERE(4) THE MAINTENANCE AND SUPPORT OF AND THE PROVISION OF MEDICAL AND SURGICAL AID FOR INFIRM AND AGED PRIESTS AND CLERICS OF THE SAID CHURCH AND THE BURIAL OF DECEASED PRIESTS AND CLERICS OF THE SAID CHURCH(5) THE PROVISION OF NECESSARY HOLIDAYS AND REST FOR PRIESTS AND CLERICS OF THE SAID CHURCH ENGAGED IN ACTIVE WORK IN THE DIOCESE FOR THE PURPOSES THEREOF BUT SO THAT CONTRIBUTIONS MADE BY THE TRUSTEES UNDER THIS AND THE PRECEDING SUB-CLAUSE SHALL BE MADE ONLY TO OR IN RESPECT OF PERSONS WHOSE OWN MEANS (IF ANY) ARE IN THE OPINION OF THE TRUSTEES INADEQUATE FOR SUCH PURPOSES(6) THE RELIEF OF POOR PERSONS PROFESSING THE ROMAN CATHOLIC RELIGION IN THE DIOCESE OR NEARLY RELATED TO PRIESTS OR CLERICS OF THE SAID CHURCH(7) THE PROVISION MAINTENANCE AND UPKEEP OF SCHOOLS AND COLLEGES FOR THE GENERAL EDUCATION BOTH RELIGIOUS AND SECULAR OR RELIGIOUS OR SECULAR OF CHILDREN AND YOUNG PERSONS MEMBERS OF THE SAID CHURCH(8) THE PROVISION MAINTENANCE AND UPKEEP OF HOUSES OF RESIDENCE FOR TEACHERS AND FOR STUDENTS IN ANY SUCH HOUSES OF STUDY HALLS SCHOOLS AND COLLEGES AS AFORESAID(9) THE PROVISION MAINTENANCE AND UPKEEP OF HOMES FOR INFIRM AND AGED PRIESTS AND CLERICS OF THE SAID CHURCH IN THE DIOCESE BEING IN THE OPINION OF THE TRUSTEES WITHOUT ADEQUATE MEANS OF SUPPORT AND OF ALMSHOUSES FOR INFIRM AND AGED POOR PERSONS BEING MEMBERS OF THE SAID CHURCH(10) THE PROVISION MAINTENANCE AND UPKEEP OF CEMETERIES OR BURYING PLACES FOR THE INTERMENT OF MEMBERS OF THE SAID CHURCH(11) THE PROVISION MAINTENANCE AND UPKEEP OF PARISH ROOMS AND HALLS IN CONNECTION WITH ANY SUCH CHURCHES OR CHAPELS AS AFORESAID TO BE USED FOR THE CONSERVATION AND ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION IN THE DIOCESE OR OTHERWISE FOR THE ENLIGHTENMENT EDUCATION AND RELIGIOUS AND MORAL BENEFIT OF MEMBERS OF THE SAID CHURCH IN THE DIOCESE(12) THE PROVISION AND MAINTENANCE OF HOSPITALS AND SANATORIA FOR POOR MEMBERS OF THE SAID CHURCH(13) THE ACQUISITION OF SITES FOR AND OF GROUND TO BE HELD WITH BUILDINGS FOR ANY OF THE PURPOSES AFORESAID AND THE ERECTION RESTORING ALTERING ENLARGING MAINTAINING AND REPAIRING OF ANY BUILDINGS FOR ANY SUCH PURPOSES AND THE LAYING OUT MAINTENANCE AND UPKEEP OF GROUNDS IN CONNECTION WITH ANY SUCH BUILDINGS(14) GENERALLY FOR ANY SUCH CHARITABLE PURPOSE OR PURPOSES AS IN THE OPINION OF THE BISHOP MAY BE CONDUCIVE TO THE ADVANCEMENT OR MAINTENANCE OF THE ROMAN CATHOLIC RELIGION IN THE DIOCESE(15) SUCH CHARITABLE PURPOSES AS SHALL ADVANCE THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE DIOCESE AS THE TRUSTEES WITH THE APPROVAL OF THE BISHOP SHALL FROM TIME TO TIME THINK FIT AND IF AT ANY TIME THE DIOCESE SHALL CEASE TO EXIST OR THERE SHALL CEASE TO BE ANY RELIGIOUS OR OTHER CHARITABLE WORK CARRIED ON BY THE DIOCESE THEN FOR SUCH OTHER LAWFUL CHARITABLE PURPOSES CONNECTED WITH THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION AS THE TRUSTEES SHALL DETERMINE

Activities: The principal aim of the charity is the furtherance of the Roman Catholic religion within the geographical boundaries of the Diocese of Lancaster. This includes but not limited to pastoral support for

clergy and parishioners, educational support, relief of poverty and maintenance of the property of the charity.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Religious Activities, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** ROMAN CATHOLIC DIOCESE OF LANCASTER
- Cumbria
- Lancashire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£10,707,202	£10,736,026	£83,042,630	106
2024-04-05	£9,967,869	£9,210,775	£82,040,314	107
2023-04-05	£8,761,846	£8,875,966	£79,437,189	110
2022-04-05	£8,164,681	£7,695,697	£83,851,789	97
2021-04-05	£10,675,792	£11,357,065	£82,193,363	108

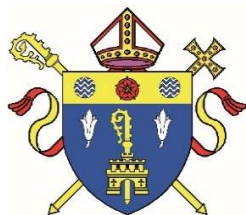
Trustees

Name	Role	Appointed
Rev Paul Swarbrick	Chair	2018-04-09
Alan Woowat		2022-04-01
Martin Callagher		2014-06-03
Nikki Wisdom		2015-04-29
PAUL RICHARD BRIERS		2016-09-29
Rev Andrew Mark Preston Dawson		2025-10-01
Rev Michael Docherty		2020-09-01
Rev PETER ANTHONY HART		2013-01-24
Rev Paul Embery		2019-09-01
Susan Louise Greenwood		2021-12-01

Accounts

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED
5 APRIL 2025**



Registered charity number 234331

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ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025

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**LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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TRUSTEES AND ADVISORS

The Charity is governed by a Trust Deed dated 31 July 1934 (as subsequently amended by schemes of the Charity Commission) and is registered by the Charity Commission of England and Wales as charity number 234331. The Diocese was created by the Holy See in 1924, the northern area formerly having been within the Diocese of Hexham and Newcastle and the southern area having been within the Archdiocese of Liverpool.

Address

The Pastoral Centre
Balmoral Road
Lancaster
LA1 3BT

Trustees

The following served as trustees during the year:

The Right Rev Bishop P Swarbrick
Rev Canon M Docherty
Rev Canon P Embery
Rev Canon P Hart
Mr P Briers
Mr M Callagher
Mrs S Greenwood
Ms N Wisdom
Mr A Woowat

Appointed after the year end

Rev A Dawson (October 2025)

Custodian Trustee

Lancaster Roman Catholic Diocesan Trustees Registered a body incorporated under the Charitable Trustees Incorporation Act 1872 (now Part 12 of the Charities Act 2011).

The custodian trustee holds the property and other assets of the charity on behalf of the Charity Trustees.

Secretary to the Trustees

Mrs K Woods (appointed July 2025)
Ms K Heaton-Brown (retired June 2025)

Investment managers

Quilter Cheviot
One Kingsway
London
WC2B 6AN

Solicitors

FMGS Law Ltd
1 Middle Street
Lancaster
LA1 1JZ

Auditors

MHA
Richard House
9 Winckley Square
Preston, Lancs
PR1 3HP

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REPORT OF THE TRUSTEES

Aims and objectives

The principal purpose of the charity is the furtherance of the Catholic religion within the Diocese of Lancaster. This is achieved by such charitable purposes as the Bishop of Lancaster, in his absolute discretion, shall think fit in accordance with the Trust Deed, the principal objectives of which are as follows:

- The provision, maintenance and upkeep of churches, public chapels and presbyteries.
- The provision of religious services in these churches and public chapels.
- The provision and maintenance of houses and colleges for the education and training of priests and persons wishing to become priests.
- The maintenance, support and provision of medical and surgical aid and accommodation for infirm and aged priests and the burial of deceased priests.
- The provision of support for priests and clerics working in the Diocese.
- The relief of poor persons professing the Roman Catholic Religion.
- The provision and maintenance of schools and colleges for young people.
- The provision and maintenance of houses, study halls and residences for teachers.
- The provision and upkeep of accommodation for infirm or aged priests.
- The provision and maintenance of cemeteries.
- The provision and maintenance of parish rooms and halls for the enlightenment, education and religious and moral benefit of people of the diocese.
- The provision and maintenance of hospitals and sanatoria for the poor.
- The acquisition of sites for buildings in connection with the above.
- Generally, for any such charitable purposes as, in the opinion of the Bishop, may be conducive to the advancement or maintenance of the Roman Catholic religion in the Diocese of Lancaster.
- Such charitable purposes as shall advance the religious and other charitable work of the Diocese as the trustees with the approval of the Bishop shall from time to time think fit. If at any time the Diocese shall cease to exist or there shall cease to be any religious or other charitable work carried on by the Diocese, then for such other lawful charitable purposes connected with the advancement of the Roman Catholic religion as the trustees shall determine.

Organisation, governance and decision-making

The Diocese of Lancaster has at present 70 parishes with regular services available in around 100 churches and chapels and 81 schools (a mix of academies and VA schools) throughout the whole of the historic county of Cumbria (now administered by the unitary local authorities of Cumberland and Westmorland & Furness) and those parts of Lancashire, north of the River Ribble and the west of the Pennines. The communities served by the charity are quite diverse and include towns/cities in Cumbria such as Barrow, Workington, Carlisle and Whitehaven and the whole of the Lake District. In urban areas, parishes might be just a few square miles in size, whereas in the more rural parts of Cumbria, parishes can be 200+ square miles. In Lancashire the coastal resorts of Blackpool and Morecambe fall within our boundaries, as does the city of Preston.

Although a clear structure of accountability and authority exists within the Catholic Church, as far as possible, day-to-day decision-making and actual pastoral practice takes place at local level in accordance with diocesan policies and wider Church beliefs. Individuals are encouraged to be involved with the delivery and planning of the services that our parishes provide to local communities. Parishes are, for example, expected to have various committees to advise priest-leaders on finance and property as well as the care of the charity's beneficiaries. As there are declining numbers of priests in this country, local communities are increasingly taking a greater responsibility in the running of their parishes. Whilst the trustees of the charity have overall responsibility in civil law matters, many of these local committees are constituted in Church Law, and act in an advisory capacity to Parish Priests, Priests in Charge etc ; however, their work to support their Parish Priests, Priest in Charge etc and the trustees in their own responsibilities is invaluable.

Meetings of the board of trustees, at which the operation of the charity is discussed, are held regularly through out the year with at least nine meetings per annum. Although overall governance is vested with this body, its decision-making is informed by the work of sub-committees through their regular reports. Trustees play a significant role on each of the charity's main sub-committees.

The principle sub-committees are:

Trustees' Safeguarding Sub-Committee

The diocese and its trustees are committed to safeguarding children, young people and adults at risk in accordance with civil and national Church guidelines.

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The Lancaster Diocesan Trustees' Safeguarding Sub-committee oversee safeguarding matters in accordance with recommendations arising from the recent ICSSA enquiry into historic sexual abuse. The diocese is working towards full compliance with the newly developed national catholic safeguarding standards. The Safeguarding Sub-Committee will oversee the necessary governance arrangements in order to monitor that procedures are followed and best practise is developed and maintained. The diocese is subject to on-going audit by the National Catholic Standards Agency (CSSA) which has regulatory, advisory and audit functions.

Day to day safeguarding work is undertaken by the Diocesan Safeguarding Coordinator whose responsibilities include oversight of the creation and continuation of a safe environment throughout the diocese; responding when concerns are raised and undertaking the necessary liaison with statutory agencies; supporting those hurt by abuse and managing those church personnel who have caused harm. Each parish has one or more safeguarding representatives.

Finance Sub-Committee

This committee, which is supported by a Certified Accountant who is a diocesan officer, monitors the day to day financial activities of the charity, particularly its liquidity and financial health, setting and controlling the central diocesan budget, and monitors delegated expenditure by parishes. A parish may spend up to £8,000 (including VAT) per project or item without prior approval of the trustees. The Diocesan Finance Office, which reports to this committee, processes most of the charity's Gift Aid claims and the internal 'annual financial returns' submitted from parishes and other bodies; these are then consolidated into the main charity accounts. The charity's strategies against fraud (and possible bribery) also sit with this committee. The committee does not of itself currently have delegated spending powers; it is also responsible for liaising with the charity's external auditors. The Finance Committee in conjunction with the Property Committee is delegated to approve expenditure on individual property maintenance projects above the parish delegated limit of £8,000 up to £25,000. Both committees must agree otherwise the matter is to be referred to the board of trustees.

Property and Health & Safety Sub-Committee

This committee is supported by a qualified surveyor, who is also a diocesan officer, examines and makes judgment on the appropriateness, and the value for money of, property projects submitted by the trustees, or parishes of the diocese. Again, parishes must seek prior approval of the trustees for any project with a cost over £8,000. The committee also examines proposed leases, and land sales or purchases in accordance with best practice and Charity Law. Currently, all proposed leases are ratified by the full trustee body on the first granting of a lease. The Property Committee in conjunction with the Finance Committee is delegated to approve expenditure on individual property maintenance projects costing up to £25,000 and lease renewals, if no material changes to the lease. Both committees must agree otherwise the matter is to be referred to the board of trustees.

This sub-committee ensure that the statutory duties under the Health and Safety at Work Act 1974 and other relevant statutory instruments are met within the Diocese of Lancaster. It will represent the diocese on health and safety and act to protect the health and safety of the clergy, diocesan employees, congregations and other people who might be affected by their business within the Diocese of Lancaster. We continue to develop the computerised system introduced across the diocese for the evaluation, monitoring and reporting of health and safety at each "site" operated. Training and health and safety advice and support is provided with this system.

Investment Sub-Committee

Members are drawn primarily from the Finance Sub-Committee and the diocesan Faith and Justice Commission. This sub-committee is responsible for setting policy and monitoring performance of the charity's investments, most of which are designated to individual parishes, but are under the control of the charity in civil law. Professional investment fund managers externally manage the portfolio of investments. The charity was one of the first Catholic diocese to introduce an ethical and socially responsible investment strategy, and it uses an ethical screening service to this end. The portfolio manager issues a quarterly report of investment performance and an ethical screening report twice yearly as well as meeting face-to-face annually. The investment manager ensures that the portfolio complies with the Diocesan Ethical Policy.

Board of Education and Formation

The Education Service supports 81 schools to ensure that they are successful and act in accordance with the Trust Deed of the Diocese. This involves offering advice and direction on a broad range of educational matters such as, Religious Education and curriculum issues, Catholic Life of a school, staffing and recruitment, governance, admissions, capital and academy developments. The Diocesan Schools Commissioner works closely with the Catholic Education Service, the Regional Schools Commissioners (North and Northwest), Parishes, Local Authorities, and the Department for Education to secure the best support for the schools of the Diocese.

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Our Catholic schools and sixth form college have an important part to play in the mission of the Church. Our Diocesan schools make a strong contribution to education in Cumbria and North Lancashire. They exist so that the Gospel of Jesus Christ is announced to future generations. As Bishop Paul Swarbrick says, "Our Catholic schools have been the bedrock of our mission to make Jesus Christ known and loved in our communities for nearly two centuries. Events in recent years have highlighted how vital our schools are and how their work and witness reveal Jesus Christ's presence in their locality. Our schools are an integral and critical part of the Diocese of Lancaster's mission".

Diocesan Schools Buildings Committee

This monitors the repair and development budgets for school buildings of Voluntary Aided Schools in the Diocese. In the voluntary sector, building work is commissioned by the governors/schools with the State paying up to 90% of eventual costs in grant-aid. This is provided in the form of an annual budgeted amount of 'SCA' money, which is then bid for by schools through a local committee process, aided by a professional officer, to prioritise projects according to need, and to ensure best value for the taxpayer.

As the academisation program progresses the monitoring and control of schools' building will change and this will impact on the operation and function of the Schools Building Committee.

Diocesan Youth Service Management Group

Currently two trustees serve with others on this committee which oversees the direction and management of our Diocesan Youth Service. Youth Service staff co-ordinate and train volunteers in the parishes and assist with the organisation of events for young people, including the diocesan pilgrimage to Lourdes where our youngsters learn to work with elderly, sick and disabled individuals and groups. The residential diocesan youth centre at Castlerigg in Keswick, which has been open for more than 40 years, draws together young people from schools and parishes from all over the Diocese and beyond, supporting both Catholics and those not of our tradition alike. The centre helps educate young people to develop their physical, mental, moral and spiritual abilities so that they grow up to enable them to contribute positively to society as well as helping them achieve their potential as human beings.

Other diocesan commissions and agencies

See below for information on other diocesan commissions and agencies.

Trustees

In accordance with clause 15 of the Trust Deed, new trustees are appointed by resolution of the trustees but only with and subject to the approval of the Bishop of Lancaster. Trustees are appointed with a view to the overall needs of the Diocese, and considering their skills and backgrounds. Recruitment is undertaken internally or externally whenever a vacancy arises, or at any time, to ensure there is an appropriate pastoral and professional representation including educational, finance, accountancy, legal and property experience. Trustees are not expected to have knowledge of all the operations of the charity upon appointment, but will learn about these through the way trustees' meetings are conducted as well as by serving on sub-committees. The responsibilities of trustees in law are clearly explained on the Charity Commission website, and training opportunities are offered as appropriate; though it is appreciated that many trustees are already in full-time employment.

The central administration of the charity has paid qualified staff supporting the work of the trustees. There are also many volunteers working at every level within the charity, many of whom have considerable professional experience. We would estimate (broadly) that volunteers provide a full-time equivalent of 75 employees, representing a donation of time equivalent to at least £1.5m for each year.

Subsidiary entities

The charity has several subsidiary charities and limited liability companies that it controls. Details of these are given in note 2 to the account. The subsidiary charities have similar aims to those of the Diocese of Lancaster. The limited companies carry out trading activities, mainly that of social centres and clubs. The financial results of all these subsidiary entities are consolidated into the group accounts.

Investment powers, policy and performance

The trustees' investment powers are governed by the Trustees Act 2000. By an Order of the Charity Commission dated 10th January 1996, the trustees were empowered to delegate certain management and dealing authority to their investment manager. Investments comprise a mix of UK FTSE 350 equities, UK gilts, cash & unit trusts, North American equities, European equities and Alternative Investment, the latter include "green" investments. All individual investments conform to the Trustees' Investment Policy which includes criteria established in accordance with the Diocesan Ethical Investment Policy which is reviewed regularly. The return on investments in recent years has been

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good when considered against comparable benchmarking. The trustees are satisfied that the capital performance and income generated are more than satisfactory and meet our current needs and strategies.

Planning for the future

In line with many other Catholic diocese in England and Wales, the charity is facing the issue of how best to deliver its services for stakeholders against the backdrop of declining numbers at church. Buildings for worship were often constructed in years gone by when demographics were quite different to today and when the principles of design were also quite different.

Our church buildings and parish communities have a special place in the hearts of many Catholics; therefore the capacity to adapt to changing circumstances does not always come easy, and the Bishop together with the trustees recognise this when plans are being considered. An important strategic review document, formed after extensive consultation, 'Fit for Mission?' remains the blueprint for many of the changes that necessarily must take place.

Our schools however remain popular, with overall pupil numbers broadly static. Many of our schools serve areas of relative social deprivation. We also have well-used church halls across the diocese, many of which are used by the wider community for non-religious use.

Review of activities – general

The activities of the charity are carried out in three main areas: parishes, schools and diocesan. All are directed towards promoting the Faith and spreading the Word of God. Most direct contact with beneficiaries is via parishes and schools, with a significant amount of support provided by the diocese to the schools and parishes. It is difficult to quantify the Spiritual "success" of these activities, but most parishes remain well supported despite the overall decline in Mass attendance and the number on roll at schools remain high. It is also difficult to gauge the financial benefit of activities. How can the "success" of rich and poor parishes be compared?

Review of activities - parishes

Most of the charity's beneficiaries' contact with the charity is at local level; that is our parishes. The reach and impact of parish ministry includes contact with people in schools, hospitals, higher education establishments, care homes and prisons. As well as religious services, parishes provide many additional activities including youth groups, social groups, and important support for some of the most vulnerable in our society.

Practical support for those in need, both at home and abroad, feature prominently in the regular activities of many parishes. Although many parish activities nourish those who attend church or are closely connected to it, the evangelising nature of the Gospel imperative and the call to service, mean that our parishes are also outward-looking communities with a sense of contributing to the common good of the wider community and building-up 'social capital'. Parishes have a degree of autonomy within the charity, not least because locally delivered services are best planned and delivered by local people. Each parish has its own bank account and is responsible for its own income and expenditure, according to the principle of subsidiarity. Financial records are also kept locally, with annual financial returns being submitted. Independent Financial Examiners are appointed in each parish and several parishes are randomly selected for more detailed external audit each year. All bank balances and account transactions can be viewed centrally for monitoring purposes, with an alert system in place for any unusual or significant transactions.

There are at present (December 2025) 46 diocesan priests working for and within the diocese, together with 11 priests on loan to us from elsewhere. A further 4 diocesan priests are engaged in non-parochial ministry outside of the diocese. There are also 30 retired priests for whom we care. Some priests and sisters from religious communities have a presence in the diocese, either working with the charity or doing similar work under their own auspices. The Diocese has undertaken several initiatives to welcome more religious priests and sisters to minister in our community. Their presence in the Diocese adds a new and vibrant element which will be beneficial to the Diocesan Family. Any overseas religious coming to the Diocese comply with all immigration and safeguarding requirements.

The diocese is aware that immigration is an important national issue, and always seeks, as a recognised Level 1 Sponsoring Body, to only invite an appropriate number of individuals into the country. These have clearly defined religious roles and the diocese undertakes to provide for their upkeep. Thanks are due to the United Kingdom Visa and Immigration Office for the role they play. It should be noted that such invitations are to complement the work done by indigenous priests (a shortage occupation at the current time) and religious communities, not replace it. Our strategy for promoting vocations to priesthood remains at the forefront of our minds, though it is recognised that this 'career' does not fit neatly into usual 'recruitment' models or remuneration packages.

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Review of activities - diocese

In addition to the principal trustees' sub-committees listed above, diocesan structures exist to support and implement the decisions of the Bishop and trustees. These include a range of committees, service delivery bodies, advisory boards and commissions to provide assistance to the Bishop in his ministry of oversight and service within the diocese. There are also several funds managed at diocesan level for the general benefit of the diocese as a whole; these include:

Chaplaincy services

Various chaplaincies exist in schools, hospitals and prisons. Chaplaincy work may be arranged by the Diocese or via individual parishes or a nominated priest may act as the chaplain to an organisation.

Faith & Justice Commission

The commission works with parishes, schools and youth groups throughout the diocese in promoting justice and peace issues, particularly in raising awareness and encouraging involvement with these. Significant emphasis is placed on a greater understanding of world development. The commission organises conferences and produces regular newsletters for the people of the diocese. A part-time worker is employed to support this work.

Sick & Retired Priests Care Fund

The diocese looks after its aged and infirm clergy through the Sick and Retired Priests Care Fund. This is a restricted fund to support those priests who have retired and those recovering from illness. The fund provides a discretionary retirement grant for priests no longer in active ministry, and a home where needed. Some retired priests continue to serve the diocesan community in a reduced role providing occasional help. The fund provides support for some retired housekeepers and manages residential properties for retired clergy situated in the diocese.

Whilst many priests generously continue to serve past conventional retirement age (75 for clergy in Church Law), we do have an increasing number of those retired due to longevity of life and medical advances. Care of these priests is included as an integral part of the diocesan Trust Deed.

Ecclesiastical Education Fund

This (restricted) fund provides financial support for the selection and formation of students preparing for the Priesthood and for the Permanent Diaconate in the diocese. Currently we have three students in training for the Diocesan Priesthood. It also supports ongoing formation of the clergy and provides for priests undertaking postgraduate studies in the UK or abroad. The fund also supports the Vocations Directors for Priesthood and the Permanent Diaconate and their teams in the work of promoting vocations.

Lancaster Diocesan Pilgrimage Trust

The Pilgrimage Trust oversees the annual diocesan pilgrimage to Lourdes for the sick and disabled pilgrims and their families. The pilgrimages are extensively supported by the young people and volunteer medics and carers of the diocese who assist in the care and transporting of the sick and disabled.

Public benefit

The Charities Act 2006 has included "Public Benefit" in the definition of a charitable purpose, such that all organisations wishing to be recognised as charities must demonstrate explicitly that their aims are for the public benefit. Based on the Charity Commission guidance, specific examples of a public benefit include the advancement of religion, the advancement of education, the prevention or relief from poverty, the relief of those in need by reason of youth, age, ill health, disability, financial hardship etc. As a "mainstream" religious denomination (and that religion has been stated by parliament to be a charitable purpose) the trustees are confident that the existing aims and activities of the charity, as set out above, sit comfortably within the Charity Commission guidelines.

Many parishes have outreach groups/activities committed to actively working for the needy in their locality. As far as is possible, practical help is given at the point of need, rather than to schemes and projects, though the latter also often happens. Many parishes in urban areas are now involved with local food banks.

International aid also features in the activities of many parishes, usually using existing recognised charities established for this purpose (e.g. CAFOD), or through religious orders who have people on the ground to ensure that aid is used for the purpose it is given. Some parishes have formal links with the projects they support and this ensures good communication and education about the issues facing people in difficult situations abroad.

It should also be recognised that well over 1,000 weekly visits are made to the elderly in their homes throughout the year. We also have teams of chaplains working in hospitals (often on 0.2 of a post) and other healthcare facilities; with

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many of the clergy working in these places offering a round-the-clock availability throughout the year. Many of these are undertaken by volunteers.

One of the principal activities within each parish is the celebration of Mass by the parish priests. Approximately 11,500 (December 2024) people attend Sunday Mass within our Diocese. But parish priests do far more than celebrate Mass: they are active leaders in our communities and many of our clergy are involved with people at important times of their lives, such as births, marriages and bereavement. Although a church service may take only one hour, this is usually preceded by several hours of contact and preparation with those concerned. Most clergy engage in personal counselling, even if informally; others have trained to use sign-language to provide spiritual support to those who have serious hearing impairments. There is clear evidence that most of our schools - which are open to non-Catholics as well as Catholics - produce good results, both academically and socially. Although our schools are denominational in nature, OFSTED reports often comment on their positive achievements in areas of social inclusion, community cohesion, mutual respect and understanding, and promoting citizenship. Faith groups also provide important support and anchor points for persons who are new to the country. One of the strengths of church communities is that they provide community 'anchor-points', which often includes the church building itself, which has sometimes been used by generations of the same family. Of its nature, the Church does not only look after its 'own', but serves the wider locality; it is difficult to gauge the full amount of social investment that is accumulated from the efforts of people of faith, not least because they often do their work deliberately unnoticed and unsung. We know that many parishioners participate in other local charitable endeavours which may or may not have any faith connection.

The stability of parish life is important in a changing world, but that does not mean that local communities are not responding to changing times. Some youth groups, for example have been around for many years with inflow and outflow of young people; other activities for young people are established in the knowledge that they will have a timespan to serve a particular group of young people, who will inevitably move on to other things as they get older or move to university.

It is worth mentioning that many church communities collaborate with other non-Catholic church communities in social projects, so that the interaction generated avoids duplication and best allows delivery of a quality service. One such project includes the 'Street Pastors' initiative which puts volunteers on the streets of cities and towns at night to coincide with young adults' social activities. The initiative not only provides a listening ear, but often helps people get home more safely, and frees up the emergency services to deal with more pressing matters – such initiatives are always done in partnership with the local authority and the Police.

Our Lake District churches and youth centre serve people who come to the area for recreation. Similarly, those coming to seaside resorts such as Blackpool and Morecambe, often come to services during their stay and receive hospitality.

Charitable objectives

The principal objectives of the charity are the provision of churches, religious services, halls, welfare of clergy, relief of poverty and education. The days of diocesan expansion through construction of new church buildings are all but over. The challenge now is to keep existing places of worship open in the context of declining numbers of worshippers and fewer clergy. Creative twinning or merging of parishes is an on-going process, led by the diocesan bishop, who has the primary responsibility for the conduct of public religious worship. It is also true that use of motor vehicles aids mobility and facilitates journeying to other Catholic churches further afield; this being said, there is still great loyalty to local parishes.

The charity continues to respond to developments in education. Our one sixth form college and 11 secondary schools and 69 primary schools, some of which are in socially deprived areas, are run by good staff and are overseen by volunteer governing bodies. OFSTED reports are generally very positive with some outstanding schools being identified, or good schools with some outstanding features. The provision of an academy support trust, and close liaison with local authorities by the Diocesan Education Service helps to ensure that our faith-led education sector keeps up with change and can respond to developing needs quickly.

Our diocesan priests are required to take on more work as their numbers decline. The boom years for clergy were the 1960's and early 1970's. Since then the ratio of priests to people nationally has returned to where it was for much of the late 1800's and early 1900's (that is 1:750). However, we now have more churches open than 100 years ago, all of which need staffing (even if part-time). In common with other diocese and denominations, clergy are developing new ways of working to ensure the provision of quality and quantity of worship and pastoral services to our beneficiaries, which includes an ever greater use of lay leadership and deacons. At the same time, our clergy are to be commended, that they have not withdrawn from other areas of pastoral ministry to prisons, hospitals and schools for example.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025

REPORT OF THE TRUSTEES

Serious incident reporting

No serious incidents have been reported during the year of review.

Review of financial performance

The group (including social clubs) reported a deficit, before investment gains, of £28k for the year (2024 surplus of £796k).

The charity (parishes and central diocese only) reported a deficit of £74k (2024: surplus £757k), including gains on sale of assets (surplus properties) of £249k (2024: £370k).

There was a decrease in the market value of group investments £1.67m (2024: increase £4.50m). Investment values have remained fairly stable post year end. The market value of group investments at 5 April 2025 was £32.25m compared to £34.57m at 5 April 2024.

At the end of the financial year, the diocese (charity) had net positive group credit bank balances of £15.4m (2024: £14.70m), with additional cash balances of £569k (2024: £201k) held as part of the investment portfolio.

The following is a summary of the financial performance of the Diocesan charity for the last six years: -

	2025	2024	2023	2022	2021	2020
	£000	£000	£000	£000	£000	£000
Net results of the charity	(74)	757	(131)	412	(523)	(2,647)
Gains/(losses) on investment	(1,546)	4,265	(4,027)	1,118	7,558	(4,164)
Net movement in funds	(1,620)	5,022	(4,158)	1,530	7,035	(6,811)

Total charity funds at 5 April 2025 were £80.42m (2024: £82.04m) and total group funds were £83.04m (2024: £84.73m).

Income

Total charity incoming resources were £10.15m (2024: £9.97m) and the charity reported a deficit on activities of £74k (2024: surplus of £757k). There was a decrease in the value of investments and the unrealised loss on these for the charity was £1.55m (2024: unrealised gain £4.26m) resulting in total fund movement (decrease) of £1.6m (2024: increase £5.02m). There was a gain on disposal of assets of £249k (2024: gain £370k).

There has been a decrease in voluntary income streams of the charity with the total of donations and legacies etc decreasing from £5.56m to £5.28m. Legacy receipts decreased from £1.38m to £935k. Donations received increased from £853k to £986k. Income from Charitable Activities has increased overall from £1.48m to £1.77m.

Mass offertory collections have increased from £2.34m to £2.43m reflecting Mass attendance returning to a “new normal” following the pandemic. Mass offertory and Mass attendance remain below pre Covid 19 pandemic levels and there is an underlying downward trend in Mass attendance which has been the trend for many years now.

The average giving per head for 2025 was £4.10 (2024: £4.35) on the reported average Mass attendance figure of 11,626 (December 2024) per week, before Gift Aid, and not including other donations. This Mass attendance figure for 2024 is higher than that recorded in December 2023 of 11,020 but still significantly lower than pre-pandemic level which was circa 14,000 per week. Future Mass attendance is not expected to increase.

As the name suggests, ‘voluntary donations’ or ‘donations’ are at the discretion of the donor, and at the present time pushing for more, especially in poorer communities might be deemed inappropriate. However, the trustees note that other charities have had to respond to drops in their income by developing new methods of fundraising. The scope for this within church on a Sunday is limited, but a possible fundraising initiative in the future might be adopted.

Thanks are due to our parishioners and other donors for their continued and generous support.

Income of the charity from stocks and shares investments showed an increase from £927k in 2024 to £1m for 2025. Bank interest received increased to £234k from (2024: £196k) received. Future bank interest receipts will depend on future rates and the amount of funds placed directly on deposit. Interest is no longer paid on the total of net bank balances held.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
REPORT OF THE TRUSTEES

Trading/cost of raising funds

The trustees do not consider that the charity has any trading income and that any sale of goods etc is from charitable activities and such activities are fund raising and not trading. Such income only forms a small part of the charity's total income. Although the charity has used the standard SORP heading "Other trading activities" which include "social clubs" and "fund raising – fetes etc", the income from these is not trading income. The trading of parish centre bars and proprietary parish clubs is operated through separate limited companies the results of which are consolidated in the group accounts.

Donated goods form only a very small amount of charity income, although there is no practical method of valuing donated goods, but the total value of these is not expected to be significant. Many of these would be given as raffle prizes.

Expenditure

Resources expended by the charity in 2025 were £10.2m and the comparable figure for 2024 was £9.21m. The cost of the provision of places of worship and other buildings, including repairs and maintenance, increased from £4.25m to £5.36m. The increase in expenditure is directly attributable to the increased costs of heating and lighting and the costs of repairs and maintenance.

Two of the highest areas of expenditure are the provision of places of worship & ancillary buildings at £5.36m (2024: £4.25m), a significant number of which are listed buildings, and the provision of religious services and pastoral care at £2.57m (2024: £2.37m). These two cost headings account for approximately 77% (2024: 71%) of total expenditure of the charity and equate to around 78% (2024: circa 66%) of the total income of the charity. The cost of heating of buildings, particularly churches, and maintenance of buildings, many of which are listed, have increase significantly and are likely to remain high. Total heating costs have more than doubled. It is noted that many church heating systems are out of date and inefficient. The age and listed status of many of our properties mean that locally installed renewables, such as solar power are not often possible to consider.

The charity rarely makes external grants from central diocese; however parishes have a degree of discretion in supporting local causes. Those organisations supported by central diocese include ecumenical partnerships, £12k (2024: £12k) and for the structures of the Catholic Church nationally £69k (2024: £92k). Total of grants, donations and levies for the charity amounted to £557k (2024: £672k).

Staff costs

Total staff costs for the year were higher at £1.45m (2024: £1.43m) with most staff engaged by the parishes.

One employee of the charity received remuneration of more than £60,000 (2024: 2). See note 5 to the accounts for more details. No trustee received payment for services as a trustee, though any clergy serving as trustee will receive payment as office holders (i.e. clergy in active ministry).

We employ several professionals as senior management, to work in the central administration of the diocese in the areas of financial management, property management, safeguarding and education. There is a total of 17 (2024: 17) professional staff and support staff with a total remuneration (including pension and National Insurance cost) of circa £663k (2024: £634k).

Again, it should be noted that some of our management, and most of the charity's governance, is by the efforts of volunteers, many of whom have a lifetime of experience in their given field. This applies to the main trustee body, principal sub-committees and diocesan commissions. Parishes rely heavily on volunteers in all aspects of parish life.

A total of £504k (2024: £469k) was paid to clergy as office holders in active ministry. There has been a change in the remuneration available to priests which has resulted in the increased cost. The number of priests in active ministry has decreased from 57 to 56 as recorded at 5 April annually, including priests on loan from other religious orders, of which there were 11 at 5 April 2025 (11 as at April 2024). The decline in the number of serving priests is due to more priests retiring on reaching retirement age than there are men joining the priesthood. An increasing number of priests will retire in the coming years reducing further the number of those in active ministry.

Staff pay is determined by the trustees for those staff not engaged at parish level. The trustees may decide directly or via one of the sub-committees or boards. The pay of parish staff is decided locally following available guidance from the trustees. The Diocese is committed to ensuring that all staff, wherever engaged, are remunerated at least to the living wage level.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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Fund Raising

Fund raising within the diocesan charity is carried out at local parish or department level and there is no co-ordinated diocesan wide fund raising structure or activity. We do not use any professional fund raisers and are not registered with any fund raising body or organisation.

Local fund raising is usually by means of appeals made at public events such as Mass or by organising events such as coffee mornings, sales or fetes for example. Appeals and events are organised by the Parish Priest or by parishioners on his behalf. A parish priest may on occasion approach an individual parishioner direct for support, but this would be rare and by exception and only if the parishioner was well known to him.

Although these public events are open to all, the majority of those who attend are regular and well known supporters i.e. local parish congregations and are often social occasions as well as fund raising opportunities. The members of the congregation are all well known to and by the parish priest and many to each other. These close relationships allow for the easy identification of people who are vulnerable and to take appropriate action to protect them such as involving a family member if a person were to offer a large or unusual donation.

The Catholic Church has a long tradition of raising funds from its supporters. These supporters range from those who are extremely poor to those who are very wealthy and will include many vulnerable people. The Church has taken care to ensure the people can only give what they can afford and that donations are freely given. People are free to attend events or not, will not be pressurised to donate and will not be contacted at home.

The Diocesan Trustees do not have a formal system for monitoring of fund raising activities and due to the nature and widespread location of such activities it would not be possible or practicable to introduce one. The Trustees will investigate any complaints or concerns regarding fund raising as part of the Diocesan Safeguarding procedures.

Reserves policy

The Diocesan Trustees recognises that the reserves of the Trust reflect the full range of activities across all parishes and the other diocesan activities. There are funds that are held for specific purposes (restricted funds). Detailed records are held which identify the range of reserves for internal management purposes (see note 13), and it should be noted that the policy for the financial management of these reserves will vary with the purpose for which they are held. All restricted funds are reviewed on a regular basis to ensure that funds are being used for the purpose of each fund.

Parish based reserves often reflect endowments or legacies from previous years, many of which have been given or established to provide for the longer-term costs associated with the care of often large and old buildings, some of which are 'listed' for the public benefit of the nation. It is also important to recognise that in the canon law of the Catholic Church, each parish is an individual entity and the designation of the finances of each entity must be respected; therefore it is often not possible for cash-based funds to be simply moved from one part of the charity to another. However, given that a levy is paid on various sources of parish income to contribute to the costs of centrally provided diocesan services, then those parishes which are better off, or which have reserves are, in fact, contributing to the common good of all.

Many regular voluntary donations by the charity's beneficiaries and donors in parishes will be spent on the general purposes of the charity in that parish within a reasonably short amount of time as 'revenue' expenditure.

When a parish with unrestricted reserves in any asset class requires funding for a particular project, the trustees will consider using these reserves as either partial, or occasionally as full, funding for the project, whilst taking the longer term future of the parish and the overall diocesan position into account. However, some fundraising at local level is normally expected for significant projects, so that parish reserves are not exhausted all at once, unless this is necessary.

Diocesan reserves reflect funds held for broader or group obligations, such as those for investing in the formation of future clergy and the care of sick and retired priests, as well as funds held for specific purposes. There is no doubt that the diocese needs to consider how these reserves can best be applied in the future to help support changes that will take place due to changes in demography, pastoral need and the actual practise of the faith from place to place (i.e. where the charity is committed to provide churches in order to maintain genuine accessibility by the charity's beneficiaries, even where a particular church might be deemed financially non-viable as a standalone unit). It should be noted that the central diocesan administration does not presently hold any long term reserves itself, but has an internal historic debt to parishes, which represents previous unfunded expenditure. With the agreement of parishes, a long term plan is in place to repay this debt over an appropriate period, primarily using 'windfall' receipts.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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The net asset distribution of the reserves set out in note 14 reflects conscious decisions which have been taken in respect of liquidity and longer term investment. Across the charity, banking and market based investment arrangements are pooled, and the trustees are satisfied that the unrestricted reserves are sufficiently liquid and under their control that they can fund the activities of the diocese for a period of more than 12 months.

The charity is currently meeting all its pension contribution arrangements and is fully compliant with auto enrolment. All pension arrangements are contributory schemes there are no final salary schemes. Clergy retirement grants are paid from a separate restricted fund with its own management body. The Clergy investment portfolio is also actively managed by Quilter Cheviot.

The total of group reserves, including endowment funds and restricted funds, at 5th April 2025 was £83.04m (2024: £84.73m) with £36.71m (2024: £36.89m) held in fixed assets, the majority of which is property (mostly churches and presbyteries); investments in shares/stocks £32.24m (2024: £34.57m) and £16m in cash at bank, including that held as part of the investment portfolio (2024 £14.90m).

Investments

Reserves are held in several different asset classes, which include cash, market-based investments and property. On occasion, reserves held in physical assets (land and buildings) may be converted from one asset class to another to provide a better income return.

As indicated above, parish cash reserve balances which are not needed for use in the short to medium-term may be pooled with those reserves of others for investment purposes. Our investments have performed quite well over several years. Most of the investment are held in FTSE 350 companies, UK gilts and more recently some North American and European companies. The portfolio valuation at 5th April 2025 was £32.24m (2024: £34.57m) including the investments of the restricted fund for Sick and Retired Priests valued at £3.44m (2024: £3.60m) which is held in a separate fund with a greater emphasis on the generation of income to provide a source of funding for our revenue obligations in this regard.

Our investment manager has a medium high balanced risk brief for potential progressive capital growth and income. In recent years the performance of our investments has compared favourably with the financial sector benchmarks considered by the Investment Committee. The investment policy has been changed to allow wider investment in overseas companies provided that all investments comply with the Diocesan Ethical Investment Policy. Investment income of the Group for the year was £1m (2024: £985k) and there was an unrealised capital loss of £1.7m (2024: unrealised gain £4.50m)

Risk management

The trustees actively review the major risks which they believe the charity is potentially exposed to, identifying the types of risk and the likelihood and potential impact of occurrence, as well as the steps that can be taken to mitigate against these. To mitigate risks the trustees maintain and regularly review a risk register and have put in place insurances, checks, controls and procedures which are communicated to parishes and other diocesan organisations.

A significant percentage of voluntary donations are in cash. Systems exist in parish for the collecting and recording of income, including cash. The Diocesan Finance office scrutinizes all the parish Annual Financial returns for anomalies or discrepancies. A number of parish Annual Financial Returns are also selected for examination each year by the external auditors who visit those parishes selected.

Staff in our Finance Office scrutinizes local bank account balances daily, noting any significant account movements which are reported to the Finance Sub-committee. Urgent action will be taken to immediately investigate any suspicious transactions or account activity.

The Property Sub-committee monitors approved projects to prevent escalation of costs. Parishes are required to report significant variations on any project's costs. School projects are also closely monitored through the School Building Committee.

At the present time, forty one schools across the diocese have converted to academy status, with each school being part of one of three diocesan multi academy trusts. Several trustees are 'members' of each of these three academy trusts. The aim is for all diocesan schools to convert to academy status in due course. Although we have a good track record with our voluntary schools, academy status is a new area of risk, especially as the directors of academy trusts are responsible for education standards and financial control.

The on-going financial and pastoral viability of a number of parishes continues to be a matter of concern. Where a parish makes a financial loss for three years in a row, this is formally reported to the trustees.

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ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
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The central administration budget is monitored monthly and a variance report is presented to trustees.

Trustees' responsibilities in respect of the financial statements

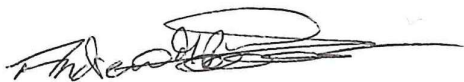
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity during the year and of its financial position at the end of the year. In preparing financial statements, giving a true and fair view, the trustees should follow best practice and: -

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless this basis is not considered appropriate.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and to ensure that the financial statements comply with the applicable law and provisions of the Trust Deeds. The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities

Appointment of auditors

A resolution to re-appoint MHA as auditors will be considered at a meeting of the trustees.



Rev A Dawson - Trustee

Date: 13 January 2026

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

Opinion

We have audited the financial statements of the Lancaster Roman Catholic Diocesan Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 5 April 2025 which comprise the consolidated statement of financial activities, the charity statement of financial activities, the consolidated and charity balance sheet, the consolidated cash flow statement and the notes to the financial statements. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 5 April 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 group and parent 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' 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; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group and parent 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 trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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 auditor's 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:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud,
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness,
- Auditing the risk of fraud in income by way of transactional testing at parish and central diocesan level, testing income recognition in accordance with the SORP, and testing for completeness of income around the year end,
- An evaluation of the charity's internal control environment,
- Challenging assumptions and judgements made by the board, in particular in relation to future performance of the charity and,
- A review of board minutes.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

Use of our report

This report is made solely to the charity's trustees, as a body, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

MHA

MHA

Chartered Accountants and Statutory Auditor
14 Mannin Way Lancaster Business Park Lancaster
LA1 3SW

Date: 3rd February 2026

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

MHA is eligible for appointment as auditor of the group by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	PARISH				CENTRAL DIOCESAN AGENCIES				GROUP TOTAL	Group 2024
	Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000		£000	
INCOME FROM:										
Donations and legacies	5,052	21	-	5,073	116	94	210	5,283	5,563	
Charitable activities	511	185	-	696	1,044	40	1,084	1,780	1,476	
Other trading activities	1,951	-	-	1,951	106	17	123	2,074	1,839	
Investments	722	-	21	743	193	369	562	1,305	1,182	
Other	265	-	-	265	-	-	-	265	370	
TOTAL	8,501	206	21	8,728	1,459	520	1,979	10,707	10,430	
EXPENDITURE ON:										
Raising funds	558	13	-	571	59	-	59	630	584	
Charitable activities	7,632	28	-	7,660	2,024	420	2,444	10,104	9,042	
Other	-	-	-	-	1	-	1	1	8	
TOTAL	8,190	41	-	8,231	2,084	420	2,504	10,735	9,634	
NET INCOME/(EXPENDITURE) before other recognised gains	311	165	21	497	(625)	100	(525)	(28)	796	
Net gains/(losses) on investments	(1,006)	-	(34)	(1,040)	(122)	(504)	(626)	(1,666)	4,503	
NET INCOME/(EXPENDITURE)	(695)	165	(13)	(543)	(747)	(404)	(1,151)	(1,694)	5,299	
Transfers between funds	(612)	(164)	(21)	(797)	831	(34)	797	-	-	
NET MOVEMENT IN FUNDS	(1,307)	1	(34)	(1,340)	84	(438)	(354)	(1,694)	5,299	
RECONCILIATION OF FUNDS										
Total funds brought forward	65,142	381	651	66,174	4,790	13,772	18,562	84,736	79,437	
FUNDS CARRIED FORWARD	63,835	382	617	64,834	4,874	13,334	18,208	83,042	84,736	

The Statement of Financial activities includes all recognised gains and losses in the year. All the above relate to continuing activities.
The notes to the accounts form part of the financial statements.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
CHARITY STATEMENT OF FINANCIAL ACTIVITIES

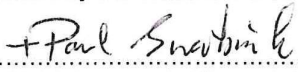
	PARISH				CENTRAL DIOCESAN AGENCIES			CHARITY TOTAL	Charity 2024
	Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000	£000	
Notes									
3.2									
INCOME FROM:									
Donations and legacies	5,052	21	-	5,073	112	94	206	5,279	5,557
Charitable activities	511	185	-	696	1,037	40	1,077	1,773	1,476
Other trading activities	1,510	-	-	1,510	86	17	103	1,613	1,442
Investments	722	-	21	743	124	369	493	1,236	1,123
Other	249	-	-	249	-	-	-	249	370
TOTAL	8,044	206	21	8,271	1,359	520	1,879	10,150	9,968
4.2									
EXPENDITURE ON:									
Raising funds	102	13	-	115	43	-	43	158	197
Charitable activities	7,643	28	-	7,671	1,975	420	2,395	10,066	9,014
Other	-	-	-	-	-	-	-	-	-
	7,745	41	-	7,786	2,018	420	2,438	10,224	9,211
NET INCOME/(EXPENDITURE) before other recognised gains	299	165	21	485	(659)	100	(559)	(74)	757
10	(1,006)	-	(34)	(1,040)	(2)	(504)	(506)	(1,546)	4,265
Net gains/(losses) on investments									
NET INCOME/(EXPENDITURE) before transfers	(707)	165	(13)	(555)	(661)	(404)	(1,065)	(1,620)	5,022
Transfers between funds	(612)	(164)	(21)	(797)	831	(34)	797	-	-
NET MOVEMENT IN FUNDS	(1,319)	1	(34)	(1,352)	170	(438)	(268)	(1,620)	5,022
RECONCILIATION OF FUNDS									
Total funds brought forward	64,992	381	651	66,024	2,244	13,772	16,016	82,040	77,018
FUNDS CARRIED FORWARD	63,673	382	617	64,672	2,414	13,334	15,748	80,420	82,040

The Statement of Financial activities includes all recognised gains and losses in the year. All the above relate to continuing activities.
The notes to the accounts form part of the financial statements.

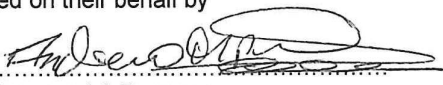
LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
BALANCE SHEET

		GROUP		CHARITY	
		2025	2024	2025	2024
		£000	£000	£000	£000
FIXED ASSETS					
Tangible assets	9	36,716	36,891	36,474	36,646
Investments	10	32,246	34,572	30,195	32,684
		68,962	71,463	66,669	69,330
CURRENT ASSETS					
Stocks		23	17	6	6
Debtors	11	1,066	699	1,064	705
Cash at bank and in hand		15,439	14,705	15,400	14,670
		16,528	15,421	16,470	15,381
Creditors: amounts falling due within one year	12	(2,388)	(2,101)	(2,719)	(2,671)
NET CURRENT ASSETS/(LIABILITIES)		14,140	13,320	13,751	12,710
Creditors: amounts falling due after more than one year	12	(60)	(47)	-	-
NET ASSETS		83,042	84,736	80,420	82,040
FUNDS					
Restricted income funds	13.1	13,716	14,153	13,716	14,153
Endowment funds	13.2	617	651	617	651
Parish general funds	13.3	63,835	65,142	63,673	64,992
Diocesan general funds	13.4	4,874	4,790	2,414	2,244
TOTAL FUNDS		83,042	84,736	80,420	82,040

Approved by the Trustees on 13 January 2026 and signed on their behalf by



 The Right Reverend P Swarbrick
 Bishop of Lancaster & Chair of the
 Trustees



 Reverend A Dawson
 Financial Administrator & Trustee

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
CONSOLIDATED CASH FLOW STATEMENT

	2025 £000	2024 £000	
Cash flows from operating activities			
Net cash provided by (used in) operating activities	(1,643)	(660)	
Cash flows from investing activities:			
Dividends, interest and rents from investment	1,305	1,182	
Proceeds from sale of property, plant & equipment	417	467	
Purchase of property, plant & equipment	(5)	(370)	
Proceeds of sale of investments	3,037	3,112	
Purchase of investments	(2,009)	(2,370)	
Net cash provided by (used in) investing activities	1,102	1,361	
Cash flows from financing activities:			
Repayment of borrowing	-	-	
Cash inflows from new borrowing	-	-	
Net cash provided by (used in) financing activities	-	-	
Change in cash and cash equivalents in the reporting period	1,102	1,361	
Cash and cash equivalents at the beginning of the reporting period	14,906	13,545	
Change in cash and cash equivalents due to exchange rate movement		-	
Cash and cash equivalents at the end of the reporting period	16,008	14,906	
Reconciliation of net income/(expenditure) to net cash flow from operating activities			
+1			
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(1,694)	5,299	
Adjustments for:			
Depreciation charges	12	12	
(Gains)/losses on investments	1,666	(4,503)	
Dividend, interest and rents from investments	(1,305)	(1,182)	
Loss/(Profit) on sale of fixed assets	(249)	(370)	
(increase)/decrease in stocks	(6)	-	
(increase)/decrease in debtors	(367)	(10)	
increase/(decrease) in creditors	300	94	
Net cash provided by/(used in) operating activities	(1,643)	(660)	
Analysis of change in cash in hand and at bank			
Bank	15,439	14,705	change 734
Held by investment fund managers	569	201	368
	16,008	14,906	1,102

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICES

Basis of accounting

Lancaster Roman Catholic Diocesan Trust is a registered charity in the United Kingdom. The address of the charity, the nature of its operations and its principal activities are all detailed in the Trustees' report and Trustees and Advisors pages of these financial statements.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at valuation. The financial statements are prepared in sterling which is the functional currency of the charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Preparation of the accounts on a going concern basis

The trustees have assessed whether the use of the going concern basis is appropriate in the preparation of the financial statements. The period of assessment is one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties that cast doubt on the ability of the charity/group to continue as a going concern. The trustees are of the opinion, based on available financial data, that there will be sufficient incoming resources and assets to meet future liabilities when they fall due taking into account the expected reduction in income with expenditure remaining unchanged during the period of assessment.

A significant area of uncertainty is the value of investments and the income from these which can be drastically affected by economic and other factors beyond the control of the trustees. The trustees are of the opinion that the Charity can withstand a significant fall in the value of these and in investment income receipts, though this is not anticipated.

Basis of consolidation

The consolidated financial statements of the group incorporate the financial statements of the Diocesan Trust, "the charity" which comprise the parishes and central diocesan agencies and subsidiary entities over which the diocese is considered to exert control. Details of the subsidiary entities are given in note 2.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Judgement and key sources of estimation uncertainty

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

In the opinion of the trustees there have been no significant estimate or judgements made in the process of applying the charity's accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

Income recognition

Income is included in the period in which the charity/group becomes entitled to the income, it is probable that it will be received and the amount of income receivable can be measured reliably. Specific policies apply to the categories of income noted below.

Legacies are accounted for on entitlement which is considered to be the earlier of notification from the executor that probate has been granted and confirmed that there are sufficient assets to make a distribution or when a distribution is received.

Collections, including Mass offerings, and other donations are accounted for on a cash received basis as such voluntary donations can only be measured with certainty upon receipt.

Gift Aid donations are accounted for on a cash received basis with any related Gift Aid or Gift Aid Small Donation Scheme tax credits accounted for on an accruals basis.

Revenue grant income is accounted for when received.

Capital grants are recognised as restricted income when received or receipt can be measured reliably and associated costs are charged against these restricted funds.

Investment income is accounted for on an accruals basis.

Income from charitable activities is accounted for on a cash received basis.

Income from fund raising activities is accounted for on a cash received basis.

Rental income from functional properties is accounted for when received under the terms of the lease or hire agreement and when it is probable that it will be received and the amount can be reliably measured.

Trading subsidiary accounts are produced on an accruals basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount can be reliably measured. All expenditure is included in the financial statements on an accruals basis inclusive of irrecoverable VAT.

Expenditure on direct charitable activities mainly comprise: the provision of places of worship and associated buildings e.g. presbyteries; provision of religious services and pastoral care and support; support of education and youth services; training of priests and deacons and the financial support of sick and retired priests.

Support costs include the costs of the Finance and Property Offices, Health & Safety services, Safeguarding Office, the provision of the Pastoral Centre, which houses the administrative offices of the diocese and provide a central meeting venue, and governance costs. Support costs are apportioned to charitable activities based on an estimate of management and employee time spent in support of these activities.

Governance costs are now included under support costs and comprise those costs of the organisation administration and compliance with constitutional and statutory requirements including external audit, legal and other professional services. Governance costs are apportioned to charitable activities based on an estimate of management and employee time spent in support of these activities.

Investments

Investments are initially recognised at their transaction value then subsequently included in the balance sheet at their fair value using the closing quoted market price. Any realised and unrealised gains and losses on revaluation or disposals throughout the year are included in the statement of financial activities.

Tangible fixed assets - other than schools

Functional freehold properties including churches, presbyteries, houses, parish hall/centres and similar buildings are included in the balance sheet at deemed cost. The deemed cost is the discounted insurance value at 1997, which

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

have been discounting based on inflation statistics to arrive at original cost. For the purposes of these financial statements and in line with the provisional arrangements of FRS 102 these estimates of depreciated value at 1997 are now the deemed cost.

The charity took advantage of the transitional provisions under FRS 102 to take the value of freehold property as deemed cost on transition at 6 April 2014 but as historical cost is unknown and cost per the accounts refers to an earlier valuation by the charity, the trustees have continued to show brought forward valuation and accumulated depreciation at transition date in the notes to the accounts. Depreciation has not been charged on freehold property following the introduction of FRS 102 as this charge is considered meaningless.

Freehold properties purchased since 1997 are recorded at cost. Properties donated after 1997 are included at valuation.

Depreciation is calculated to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values over the expected useful economic lives of the assets concerned. The principal annual rates and method used for this purpose are as follows:

	Rate	Method
Fixtures, fittings and equipment	25%	reducing balance basis
Motor Vehicles	25%	reducing balance basis

All additions to fixtures, fittings and other fixed assets after 6th April 1995 more than £5,000 are included at purchase cost less accumulated depreciation.

The charity owns a number of works of art, including paintings, manuscripts and sculptures. All parishes own silverware, in daily use for the purposes of the parish, which are on display within the diocese and parishes. Many have been donated, bequeathed or inherited by the diocese or parishes. Such items are not included at any value in the financial statements because it is considered that no meaningful value can be attributed to them.

Tangible fixed assets – schools property

The diocese owns land on which its voluntary aided and academy schools are built. The school buildings are occupied, improved, extended and repaired by the school governors. All voluntary aided schools, which are exempt charities, and academy schools, occupy land and buildings rent free. The nature of occupation of the land and buildings by these exempt charities and academies means that the diocesan trustees do not have the power to dispose of the land or buildings until a school ceases its occupation, which in turn would require the approval of the governing body and the Secretary of State and may involve recovery of grant aid by the DCSF or the obligation to use the proceeds for other educational provision. Consequently such land and buildings are not in direct use by the charity, do not generate any income, cannot be disposed of on the open market and cannot be used for any other purpose during the schools' occupation, which may be indefinite. In view of these restrictions the trustees believe the recoverable amount of these assets is nil and are included at nil valuation in these financial accounts.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Liquid resources comprise amounts held on deposit with recognised banks and building societies and cash on hand at parishes etc.

Provisions

These are recognised when there is a commitment made to the incurring of expenditure.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

Pension costs

The charity operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Fund accounting

The charity/group has various types of funds for which it is responsible, and which require separate disclosure within the financial statements. These are:

Endowment funds

Funds given to the charity or its subsidiaries, subject to the restriction that they are held as capital. Income derived from endowment funds is included in the Statement of Financial Activities and may be restricted to a particular purpose.

Restricted funds

Donations, grants or legacies received which have been given for a specific purpose or purposes as specified by the donor, where such purposes are within the overall aims of the organisation. These funds may represent capital only (where the capital must be retained) or income and capital (where the donation and income deriving from them may be utilised).

General funds

These represent unrestricted funds which are available at the discretion of the Trustee in furtherance of the objectives of the charity and which have not been designated for other purposes.

Designated funds

These are funds included within the general funds that have been set aside and designated by the trustees for specific purposes.

Parish funds

There are included within the general funds. In civil administration a parish is not a distinct legal entity but forms part of the wider diocese, but with a degree of independence and autonomy. Parish funds and assets, unless subject of a separate trust recognised in law, are funds of the Diocesan Trust and therefore the responsibility of the diocesan trustees. In Canon Law a parish is a public juridical person with the parish priest conducting his ministry under the authority of the Bishop. A parish has the right under Canon Law to acquire, retain, administer and alienate temporal goods subject to the norms of Canon Law.

Taxation

The Roman Catholic Diocese of Lancaster is a charity within the meaning of section 1119 Corporation Taxes Act (CTA) 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478 - 489 of the CTA 2010 or section 256 of the Taxation of Chargeable Gains Act 2010, to the extent that such income or gains are applied to exclusively charitable purposes.

The charity's subsidiary and associated undertakings are subject to corporation tax in the same way as any commercial or charitable organisation, as appropriate.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

2 GROUP BODIES

The charity has interests in associated and subsidiary undertakings, which are consolidated in the financial statements, as follows:

Limited companies

St Kentigern's Parish Centre Ltd	Subsidiary	100%	Social club/centre
St Anthony's Parish (Preston) Centre Ltd	Subsidiary	100%	Social club/centre
St Margaret Mary's Parish Community Centre (Carlisle) Ltd	Subsidiary	100%	Social club/centre

All the above companies are incorporated in the United Kingdom.

Trusts and Charities

The charity has consolidated the financial statements of the following associated or subsidiary trusts and charities into these financial statements:

The Moyston Trust
Lancaster Diocesan Pilgrimage Trust
St Cuthbert's Carlisle School Charity
St John's Poulton 1838 Charity

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

3.1 ANALYSIS OF INCOME – GROUP
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2025	2024
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,433	-	-	2,433	-	-	-	2,433	2,345
Donations	858	21	-	879	60	50	110	989	858
Legacies	846	-	-	846	56	34	90	936	1,389
Special collections	338	-	-	338	-	10	10	348	417
Gift Aid	577	-	-	577	-	-	-	577	554
Other	-	-	-	-	-	-	-	-	-
	5,052	21	-	5,073	116	94	210	5,283	5,563
Charitable activities									
Grants received	163	170	-	333	12	-	12	345	113
Service charges receivable	-	-	-	-	-	-	-	-	-
Sale of candles, votives etc	136	15	-	151	9	-	9	160	144
Youth Service income	-	-	-	-	491	-	491	491	435
Insurance claim receipts	35	-	-	35	-	-	-	35	46
Income from chaplaincy	85	-	-	85	12	-	12	97	54
Subscriptions and other charges *	20	-	-	20	2	36	38	58	119
Inter diocese re-charges	-	-	-	-	-	-	-	-	-
Education Service income *	-	-	-	-	481	-	481	481	314
Income for graveyards & funerals	46	-	-	46	-	-	-	46	79
Other *	26	-	-	26	37	4	41	67	172
	511	185	-	696	1,044	40	1,084	1,780	1,476
Other trading activities									
Parish hall income	88	-	-	88	-	-	-	88	69
Fund raising - fetes etc	569	-	-	569	-	-	-	569	504
Rental income	1,294	-	-	1,294	106	17	123	1,417	1,266
	1,951	-	-	1,951	106	17	123	2,074	1,839
Investments									
Bank interest received	96	-	-	96	123	16	139	235	197
Dividend income	626	-	21	647	70	353	423	1,070	985
Rental and leasing income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	722	-	21	743	193	369	562	1,305	1,182
Other									
Gains and losses on sale of fixed assets	249	-	-	249	-	-	-	249	370
Other	16	-	-	16	-	-	-	16	-
	265	-	-	265	-	-	-	265	370
TOTAL GROUP INCOME 2025	8,501	206	21	8,728	1,459	520	1,979	10,707	10,430

* Comparative for 2024 restated

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025

NOTES TO THE ACCOUNTS

3.1 ANALYSIS OF INCOME – GROUP PREVIOUS YEAR 5 April 2024

	PARISHES				CENTRAL DIOCESAN AGENCIES				2024	2023
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000		£000	£000
Donations and legacies										
Collections	2,345	-	-	2,345	-	-	-	2,345	2,265	
Donations	583	70	-	653	30	175	205	858	714	
Legacies	388	-	-	388	1,001	-	1,001	1,389	924	
Special collections	417	-	-	417	-	-	-	417	380	
Gift Aid	553	-	-	553	1	-	1	554	443	
Other	-	-	-	-	-	-	-	-	-	
	4,286	70	-	4,356	1,032	175	1,207	5,563	4,726	
Charitable activities										
Grants received	4	3	-	7	56	50	106	113	151	
Service charges receivable	-	-	-	-	-	-	-	-	-	
Sale of candles, votives etc	123	-	-	123	21	-	21	144	135	
Youth Service income	-	-	-	-	435	-	435	435	442	
Insurance claim receipts	46	-	-	46	-	-	-	46	28	
Income from chaplaincy	62	-	-	62	(8)	-	(8)	54	79	
Subscriptions and other charges*	93	-	-	93	94	46	140	119	180	
Inter diocese re-charges	-	-	-	-	-	-	-	-	-	
Education Service income*	79	-	-	79	-	-	-	314	47	
Income for graveyards & funerals	124	-	-	124	248	-	248	172	135	
Other *	531	3	-	534	846	96	942	1,476	1,197	
Other trading activities										
Parish hall income	69	-	-	69	-	-	-	69	318	
Fund raising - fetes etc	499	-	-	499	5	-	5	504	104	
Rental income	976	-	-	976	271	19	290	1,266	1,301	
	1,544	-	-	1,544	276	19	295	1,839	1,723	
Investments										
Bank interest received	-	-	-	-	197	-	197	197	121	
Dividend income	602	-	17	619	59	307	366	985	949	
Rental and leasing income	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	
	602	-	17	619	256	307	563	1,182	1,070	
Other										
Gains and losses on sale of fixed assets	98	-	-	98	272	-	272	370	46	
Other	-	-	-	-	-	-	-	-	-	
	98	-	-	98	272	-	272	370	46	
TOTAL GROUP INCOME 2024	7,061	73	17	7,151	2,682	597	3,279	10,430	8,762	

* restated

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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3.2 ANALYSIS OF INCOME – CHARITY
CURRENT YEAR

Donations and legacies

Collections
Donations
Legacies
Special collections
Gift Aid
Other

Charitable activities

Grants received
Service charges receivable
Sale of candles, votives etc
Youth Service income
Insurance claim receipts
Income from chaplaincy
Subscriptions and other charges *
Inter diocese re-charges
Education Service income *
Income for graveyards & funerals
Other *

Other trading activities

Parish hall income
Fund raising - fetes etc
Rental income

Investments

Bank interest received
Dividend income
Rental and leasing income
Other

Other

Gains and losses on sale of fixed assets

TOTAL CHARITY INCOME 2025

PARISHES				CENTRAL DIOCESAN AGENCIES				2025	2024
Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000		£000	£000
2,433	-	-	2,433	-	-	-		2,433	2,345
858	21	-	879	56	51	107		986	853
846	-	-	846	56	33	89		935	1,387
338	-	-	338	-	10	10		348	419
577	-	-	577	-	-	-		577	553
-	-	-	-	-	-	-		-	-
5,052	21	-	5,073	112	94	206		5,279	5,557
164	170	-	334	-	-	-		334	113
-	-	-	-	6	-	6		6	-
136	15	-	151	9	-	9		160	144
-	-	-	-	492	-	492		492	435
35	-	-	35	-	-	-		35	46
85	-	-	85	-	-	-		85	54
20	-	-	20	12	36	48		68	119
-	-	-	-	-	-	-		-	-
-	-	-	-	481	-	481		481	314
45	-	-	45	-	-	-		45	79
26	-	-	26	37	4	41		67	172
511	185	-	696	1,037	40	1,077		1,773	1,476
88	-	-	88	-	-	-		88	69
128	-	-	128	-	-	-		128	125
1,294	-	-	1,294	86	17	103		1,397	1,248
1,510	-	-	1,510	86	17			1,613	1,442
95	-	-	95	123	16	139		234	196
627	-	21	648	1	353	354		1,002	927
-	-	-	-	-	-	-		-	-
-	-	-	-	-	-	-		-	-
722	-	-	743	124	369	493		1,236	1,123
249	-	-	249	-	-	-		249	370
249	-	-	249	-	-	-		249	370
8,044	206	21	8,271	1,359	520	1,879		10,150	9,968

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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NOTES TO THE ACCOUNTS

*Comparative for 2024 restated

3.2 ANALYSIS OF INCOME – CHARITY
PREVIOUS YEAR 5 April 2024

	PARISHES				CENTRAL DIOCESAN AGENCIES				2024	2023
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000		£000	£000
Donations and legacies										
Collections	2,345	-	-	2,345	-	-	-		2,345	2,265
Donations	582	70	-	652	25	176	201		853	711
Legacies	387	-	-	387	1,000	-	1,000		1,387	924
Special collections	419	-	-	419	-	-	-		419	380
Gift Aid	552	-	-	552	1	-	1		553	443
Other	-	-	-	-	-	-	-		-	-
	4,285	70	-	4,355	1,026	176	1,202		5,557	4,723
Charitable activities										
Grants received	4	3	-	7	56	50	106		113	148
Service charges receivable	-	-	-	-	-	-	-		-	-
Sale of candles, votives etc	123	-	-	123	21	-	21		144	135
Youth Service income	-	-	-	-	435	-	435		435	442
Insurance claim receipts	46	-	-	46	-	-	-		46	28
Income from chaplaincy	62	-	-	62	(8)	-	(8)		54	79
Subscriptions and other charges*	93	-	-	93	94	46	140		119	180
Inter diocese re-charges	-	-	-	-	-	-	-		-	-
Education Service income*	-	-	-	-	-	-	-		314	-
Income for graveyards & funerals	79	-	-	79	-	-	-		79	47
Other*	124	-	-	124	248	-	248		172	135
	531	3	-	534	846	96	942		1,476	1,194
Other trading activities										
Parish hall income	69	-	-	69	-	-	-		69	84
Fund raising - fetes etc	120	-	-	120	5	-	5		125	104
Rental income	976	-	-	976	253	19	272		1,248	1,284
	1,165	-	-	1,165	258	19	277		1,442	1,472
Investments										
Bank interest received	-	-	-	-	196	-	196		196	121
Dividend income	602	-	17	619	2	306	308		927	891
Rental and leasing income	-	-	-	-	-	-	-		-	-
Other	-	-	-	-	-	-	-		-	-
	602	-	17	619	198	306	504		1,123	1,012
Other										
Gains and losses on sale of fixed assets	98	-	-	98	272	-	272		370	46
	98	-	-	98	272	-	272		370	46
TOTAL CHARITY INCOME 2024	6,681	73	17	6,771	2,600	597	3,197		9,968	8,447
*restated										

4.1 ANALYSIS OF EXPENDITURE – GROUP CURRENT YEAR

TOTAL GROUP EXPENDITURE 2025

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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4.1 ANALYSIS OF EXPENDITURE – GROUP
PREVIOUS YEAR 5 April 2024

Expenditure on raising funds:

Parish fund raising events' costs	
Other fund raising events' costs	
Social club bar purchases	
Social club other costs	
Investment management costs	
Rental property management costs	
Other	

Expenditure on charitable activities

Provision of places of worship & ancillary buildings	
Provision of religious services & pastoral care	
Support of education & youth services	
Training of priests, deacons & seminarians	
Support of retired priests	
Grants, donations & levies	
Other charitable activity costs	

Other

TOTAL GROUP EXPENDITURE 2024

	PARISHES				CENTRAL DIOCESAN AGENCIES				2024		2023	
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000		£000		£000	
	38	-	-	38	7	-	7		45		49	
	-	-	-	-	-	-	-		-		4	
	169	-	-	169	-	-	-		169		99	
	194	-	-	194	-	-	-		194		144	
	51	-	-	51	16	27	43		94		84	
	8	-	-	8	74	-	74		82		81	
	-	-	-	-	-	-	-		-		-	
	460	-	-	460	97	27	124		584		461	
	4,018	20	-	4,038	204	6	210		4,248		3,958	
	1,867	18	-	1,885	466	5	471		2,356		2,464	
	-	-	-	-	1,140	102	1,242		1,242		769	
	-	-	-	-	5	130	135		135		161	
	-	-	-	-	7	302	309		309		364	
	600	44	-	644	27	-	27		671		687	
	37	1	-	38	43	-	43		81		6	
	6,522	83	-	6,605	1,892	545	2,437		9,042		8,409	
	8	-	-	8	-	-	-		8		6	
	6,990	83	-	7,073	1,989	572	2,561		9,634		8,876	

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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4.2 ANALYSIS OF EXPENDITURE -
CHARITY
CURRENT YEAR

Expenditure on raising funds:

- Parish fund raising events' costs
- Other fund raising events' costs
- Social club bar purchases
- Social club other costs
- Investment management costs
- Rental property management costs

- Expenditure on charitable activities**
- Provision of places of worship & ancillary buildings
- Provision of religious services & pastoral care
- Support of education & youth services
- Training of priests, deacons & seminarians
- Support of retired priests
- Grants, donations & levies
- Other charitable activities

TOTAL CHARITY EXPENDITURE
2025

	PARISHES			CENTRAL DIOCESAN AGENCIES			2025	2024
	Unrestricted	Restricted	Endowments	Total	Unrestricted	Restricted	Total	
	£000	£000	£000	£000	£000	£000	£000	£000
Parish fund raising events' costs	24	13	-	37	-	-	37	38
Other fund raising events' costs	-	-	-	-	-	-	-	-
Social club bar purchases	-	-	-	-	-	-	-	-
Social club other costs	-	-	-	-	-	-	-	-
Investment management costs	78	-	-	78	13	-	91	78
Rental property management costs	-	-	-	-	30	-	30	81
	102	13	-	115	43	-	158	197
Provision of places of worship & ancillary buildings	5,023	6	-	5,029	335	-	5,364	4,247
Provision of religious services & pastoral care	2,019	22	-	2,041	520	7	2,568	2,337
Support of education & youth services	-	-	-	-	1,057	-	1,057	1,242
Training of priests, deacons & seminarians	(2)	-	-	(2)	11	107	116	135
Support of retired priests	-	-	-	-	17	306	323	310
Grants, donations & levies	543	-	-	543	14	-	557	672
Other charitable activities	60	-	-	60	21	-	81	71
	7,643	28	-	7,671	1,975	420	10,066	9,014
TOTAL CHARITY EXPENDITURE	7,745	41	-	7,786	2,018	420	10,224	9,211

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

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NOTES TO THE ACCOUNTS

4.2 ANALYSIS OF EXPENDITURE – CHARITY PREVIOUS YEAR 5 April 2024

Expenditure on raising funds:

Parish fund raising events' costs	38	-	-	-	38
Other fund raising events' costs	-	-	-	-	-
Social club bar purchases	-	-	-	-	-
Social club other costs	-	-	-	-	-
Investment management costs	51	-	-	-	51
Rental property management costs	-	-	-	-	-
	89	-	-	-	89

Expenditure on charitable activities

Provision of places of worship & ancillary buildings	4,017	20	-	-	4,037
Provision of religious services & pastoral care	1,867	18	-	-	1,885
Support of education & youth services	-	-	-	-	-
Training of priests, deacons & seminarians	-	-	-	-	-
Support of retired priests	-	-	-	-	-
Grants, donations & levies	601	44	-	-	645
Other charitable activities	37	1	-	-	38
	6,522	83	-	-	6,605
	6,611	83	-	-	6,694

TOTAL CHARITY EXPENDITURE 2024

	PARISHES			CENTRAL DIOCESAN AGENCIES			2024	2023
	Unrestricted	Restricted	Endowments	Total	Unrestricted	Restricted	Total	
	£000	£000	£000	£000	£000	£000	£000	£000
	38	-	-	-	-	-	38	52
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	51	-	-	-	-	27	78	66
	-	-	-	-	81	-	81	75
	89	-	-	-	81	27	197	193
	4,017	20	-	-	204	6	4,247	3,960
	1,867	18	-	-	447	5	2,337	2,448
	-	-	-	-	1,140	102	1,242	768
	-	-	-	-	5	130	135	160
	-	-	-	-	8	302	310	364
	601	44	-	-	27	-	672	685
	37	1	-	-	33	-	71	-
	6,522	83	-	-	1,864	545	9,014	8,385
	6,611	83	-	-	1,945	572	9,211	8,578

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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NOTES TO THE ACCOUNTS

5 EMPLOYEES AND OFFICE HOLDERS (including key management personnel)

The number of employees, which excludes clergy and volunteers, during the year was: -

	2025	2024
Central diocesan: administration and support services	13	13
Education Service	4	4
Youth Service including Castlerigg	14	11
Parochial	60	61
Clubs & centres	15	18
	106	107

The aggregate remuneration paid to employees was: -

	£000	£000
Wages and salaries	1,305	1,305
Social security costs	79	66
Pension costs	70	60
	1,454	1,431

Amounts paid to clergy during the year: - for active ministry
retirement gratuities

504	469
175	220
679	689

The number of employees who earned more than £60,000 (including benefits but excluding employer's national insurance and pension contributions) during the year was as follows: -

	2025	2024
£60,001 - £70,000	-	1
£80,001 - £90,000	1	1
	1	2

Employees include administrative staff at both Diocese and Parishes, together with associated and related entities. Clergy are self-employed office holders and not employees.

Key personnel

The trustees consider the board of trustees as the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give their time freely, and no trustee receives any remuneration in respect of the work undertaken in the role of trustee. There are members of the board of trustees who are also clergy of the Diocese of Lancaster, and as with other members of the clergy receive a remuneration for the work they undertake in their clerical role only. These trustees are identified in the list of trustees on page 3 " Trustees and Advisors".

Details of trustees' expenses and related party transactions are disclosed in the notes the accounts. Trustees are required to disclose all relevant interests and register them with the diocesan secretary and in accordance with the trustees' policy withdraw from decisions where a conflict of interest may arise.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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6 TRUSTEES

No trustee received any remuneration during the year or previous year. Certain trustees received allowances as serving clergy but not in their capacity as trustee.

During the year 4 trustees (2024: 4) received expenses to the value of £3,034 (2024: £3,021) in respect of travel and subsistence costs in respect of their position as a trustee.

Trustees who are also serving clergy may receive expenses in connection with their clerical role. Any such expenses have not been quantified and are not included above.

7 NET EXPENDITURE

	2025	2024
	£000	£000
This is stated after charging: -		
Depreciation	<u>12</u>	<u>12</u>
Audit	<u>44</u>	<u>39</u>

8 ALLOCATED SUPPORT COSTS

Support and governance costs incurred during the year were:

	2025	2024
	£ 000	£ 000
Governance	121	73
Safeguarding *	117	-
Finance & Gift Aid Offices	103	102
Property Office & Health & Safety	148	129
Pastoral Centre	48	35
IT*	28	-
	<u>565</u>	<u>339</u>

*No amount included in the previous year

The above costs were allocated as follows based on estimate of staff and trustees' time spent of each category of activity:

Fund raising	11	7
Provision of place of worship	345	200
Provision of religious services and Pastoral care	119	68
Support of Education and youth services.	57	31
Training of clergy	11	4
Support of sick and retired priests	17	8
Grants, donations and levies	5	14
Other charitable activities	-	7
	<u>565</u>	<u>339</u>

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

9 TANGIBLE FIXED ASSETS

9.1 GROUP

Cost or valuation

At the beginning of the year

Additions

Disposals

At end of the year

Depreciation and impairments

At beginning of the year

Eliminated on disposals

Depreciation

Impairment

At end of the year

Net book value

Net book value at the beginning of the year

Net book value at the end of the year

PARISHES					CENTRAL DIOCESAN AGENCIES					2025	2024
Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total		Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total			
£000	£000	£000	£000		£000	£000	£000	£000		£000	£000
£	£	£	£		£	£	£	£		£	£
36,873	42	1,092	38,007		7,241	21	132	7,394		45,401	45,156
-	-	5	5		-	-	-	-		5	370
(210)	-	-	(210)		-	-	-	-		(210)	(125)
36,663	42	1,097	37,802		7,241	21	132	7,394		45,196	45,401
6,144	29	1,049	7,222		1,137	21	130	1,288		8,510	8,526
(42)	-	-	(42)		-	-	-	-		(42)	(28)
-	2	8	10		-	-	2	2		12	12
-	-	-	-		-	-	-	-		-	-
6,102	31	1,057	7,190		1,137	21	132	1,290		8,480	8,510
30,729	13	43	30,785		6,104	-	2	6,106		36,891	36,630
30,561	11	40	30,612		6,104	-	-	6,104		36,716	36,891

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
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9 TANGIBLE FIXED ASSETS

9.2 CHARITY

	PARISHES				CENTRAL DIOCESAN AGENCIES				2025	2024
	Freehold land & buildings	Motor Vehicles	Fixtures, fittings and equipment	Total	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total		
Cost or valuation	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £
At the beginning of the year	36,792	42	965	37,799	7,119	21	134	7,274	44,831	44,831
Additions	-	-	-	-	-	-	-	-	367	367
Disposals	(210)	-	-	(210)	-	-	-	-	(125)	(125)
At end of the year	36,582	42	965	37,589	7,119	21	134	7,274	44,863	45,073
Depreciation and impairments										
At beginning of the year	6,144	37	965	7,146	1,137	16	128	1,281	8,427	8,450
Eliminated on disposals	(42)	-	-	(42)	-	-	-	-	(42)	(28)
Depreciation	-	1	-	1	-	1	2	3	4	5
Impairment	-	-	-	-	-	-	-	-	-	-
At end of the year	6,102	38	965	7,105	1,137	17	130	1,284	8,389	8,427
Net book value										
Net book value at the beginning of the year	30,648	5	0	30,653	5,982	5	6	5,993	36,646	36,381
Net book value at the end of the year	30,480	4	0	30,484	5,982	4	4	5,990	36,474	36,646

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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10 INVESTMENTS

	Market value at start of year	Costs of investments purchased	Proceeds of sale of investments	CIMV	Market value at end of year
	£000	£000	£000	£000	£000
CHARITY					
Equities & unit trusts	29,212	534	(632)	(2,009)	27,105
Fixed interest	5,141	1,475	(2,398)	343	4,561
	<u>34,353</u>	<u>2,009</u>	<u>(3,030)</u>	<u>(1,666)</u>	31,666
Less					
Held for subsidiary entities	1,845	289	-	(119)	2,015
Held for third parties	23		-	(1)	22
	<u>1,868</u>	<u>289</u>		<u>(120)</u>	2,037
	32,485	1,720	(3,030)	(1,546)	29,629
Cash	<u>199</u>				566
Charity	<u>32,684</u>			<u>(1,546)</u>	30,195
GROUP					
Equities & unit trusts	29,253	534	(639)	(2,010)	27,138
Fixed interest	5,141	1,475	(2,398)	343	4,561
	<u>34,394</u>	<u>2,009</u>	<u>(3,037)</u>	<u>(1,667)</u>	31,699
Less:					
Third party	23	-	-	(1)	22
	<u>34,371</u>	<u>2,009</u>	<u>(3,037)</u>	<u>(1,666)</u>	31,677
Cash	<u>201</u>				569
Group	<u>34,572</u>			<u>(1,666)</u>	32,246

The Diocesan Trust operates a pooled investment fund where investors hold units and do not invest directly in discrete holdings.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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11 DEBTORS & PREPAYMENTS

	GROUP		CHARITY	
	2025 £000	2024 £000	2025 £000	2024 £000
Gift Aid and Gift Aid Small Donation Scheme recoverable	504	395	504	395
Sundry debtors	379	88	377	95
Prepayments and accrued income	183	214	183	213
Loans to clergy		2		2
	1,066	699	1,064	705

An amount of £55,473 included in sundry debtors is being repaid by an annual instalment of £18,491 each and therefore full repayment will be made within 3 years. Note that no payment was received during the year ended 5 April 2025 of 5 April 2024. All other debtors are receivable within one year.

12 CREDITORS & ACCRUALS

Amounts falling due within one year

Trade creditors	18	24	4	11
Accruals and deferred income	148	59	148	59
Taxation and social security	-	-	-	-
Other creditors	2,222	2,018	2,567	2,601
	2,388	2,101	2,719	2,671

Amounts falling due after more than one year

Other creditors	60	47	-	-
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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS – current year

Charity: Diocesan Central Agencies
 Ecclesiastical Education Fund
 Poor Missions Fund
 Sick and Retired Priests Fund
 Funds for Overseas Missions
 Kirkham Church of St John and RC Purposes
 Catforth, Thurnham & Westby Schools
 St Ignatius Legacy
 Diocesan Catholic Caring Fund
 Good Shepherd Fund
 Legacy (M Lawton)
 Diocesan Schools Singing Program
 Mary Strand Trust
 The Moyston Fund
 Sundry Funds (restated)

	Opening balance 2024	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2025
	£000	£000	£000	£000	£000	£000
	5,418	177	(107)	(35)	(230)	5,223
	2,085	72	-	(34)	(91)	2,032
	5,442	242	(306)	80	(160)	5,298
	9	-	-	-	-	9
	338	10	-	(16)	(17)	315
	96	3	-	(19)	(4)	76
	21	-	-	-	-	21
	134	3	-	-	-	137
	71	12	(7)	(10)	-	66
	41	-	-	-	-	41
	25	-	-	-	-	25
	25	-	-	-	-	25
	(2)	-	-	-	-	(2)
	69	1	-	-	(2)	68
Total of diocesan agencies restricted fund	13,772	520	(420)	(34)	(504)	13,334

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS (continued) – current year

Charity: Parishes

St John Vianney & St Monica, legacy
Our Lady of Eden, Carlisle, Reverend Turner legacy
Our Lady of Perpetual Help, Carlisle Restoration Fund
St Mary, Fleetwood, legacy
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth – Food Pantry
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth- Grant
Refugee support projects (various parishes)
Workington Stella Maris Project
St Thomas, Clayton, legacy
St Mary & St James, Scorton, legacy
St Francis Goosnargh, Grant
Blessed Henry Newman, Morecambe, Grants

	Opening balance 2024 £000	Income £000	Expenditure £000	Transfers £000	Unrealised gains on investments £000	Closing balance 2025 £000
	36	-	-	-	-	36
	18	-	-	(18)	-	-
	16	-	(4)	29	-	41
	193	-	-	-	-	193
	30	-	(1)	-	-	29
	20	23	(14)	-	-	29
	-	7	-	(7)	-	-
	35	10	(22)	(6)	-	17
	13	10	-	-	-	23
	10	-	-	(3)	-	7
	10	-	-	(3)	-	7
	-	120	-	(120)	-	-
	-	36	-	(36)	-	-
Total of parish restricted funds	381	206	(41)	(164)	-	382
CHARITY total: all restricted funds 2025	14,153	726	(461)	(198)	(504)	13,716
GROUP total 2025: all restricted funds	14,153	726	(461)	(198)	(504)	13,716

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS – [previous year 5 April 2024](#)

	Opening balance 2023	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2024
	£000	£000	£000	£000	£000	£000
Charity: Diocesan Central Agencies						
Ecclesiastical Education Fund		£000	£000	£000	£000	£000
Poor Missions Fund		4,860	160	(151)	(32)	5,418
Sick and Retired Priests Fund		1,915	56	(4)	(112)	2,085
Funds for Overseas Missions		5,002	198	(313)	100	5,442
Kirkham Church of St John and RC Purposes		9	-	-	-	9
Catforth, Thurnham & Westby Schools		295	9	-	(8)	338
St Ignatius Legacy		86	2	-	(1)	96
Diocesan Catholic Caring Fund		21	-	-	-	21
Good Shepherd Fund		134	-	-	-	134
Academy Support Grant		63	8	-	-	71
Newman School Rebuilding Fund		18	-	-	(18)	-
Legacy (M Lawton)		144	139	(102)	(181)	-
Diocesan Schools Singing Program		41	-	-	-	41
Mary Strand Trust		25	-	-	-	25
The Moyston Fund		25	-	-	-	25
Sundry Funds (restated)		-	-	(2)	-	(2)
		44	25	-	-	69
Total of diocesan agencies restricted fund		12,682	597	(572)	(252)	13,772

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

Charity: Parishes

St John Vianney & St Monica, legacy
Our Lady of Eden, Carlisle, Reverend Turner legacy
Our Lady of Perpetual Help, Carlisle Restoration Fund
St Mary, Fleetwood, legacy
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth
Refugee support projects (various parishes)
Workington Stella Maris Project
St Thomas, Clayton, legacy
St Mary & St James, Scorton, legacy
St Mary, Hornby, Lottery Community Grant

	Opening balance 2023 £000	Income £000	Expenditure £000	Transfers £000	Unrealised gains on investments £000	Closing balance 2024 £000
	36	-	-	-	-	36
	18	-	-	-	-	18
	16	-	-	-	-	16
	193	-	-	-	-	193
	33	30	(33)	-	-	30
	16	25	(21)	-	-	20
	44	3	(12)	-	-	35
	10	15	(12)	-	-	13
	10	-	-	-	-	10
	10	-	-	-	-	10
	5	-	(5)	-	-	-
Total of parish restricted funds	391	73	(83)	-	-	381
CHARITY total: all restricted funds 2024	13,073	670	(655)	(252)	1,317	14,153
GROUP total 2024: all restricted funds	13,073	670	(655)	(252)	1,317	14,153

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

Purpose of restricted funds	
Diocesan Central Agencies	
Ecclesiastical Education Fund	Training of priests and deacons of the diocese.
Poor Missions Fund	Support poor parishes and churches within the Diocese of Lancaster.
Sick and Retired Priests Fund	Financial and medical care of sick and retired clergy of the diocese.
Funds for Overseas Missions	Support for overseas missions at the discretion of the Bishop.
Kirkham Church of St John and RC Purposes	The provision and maintenance of resources and facilities for the people of Kirkham for the pursuit of the Roman Catholic religion, through the church of St John The Evangelist, Kirkham.
Catforth, Thurnham & Westby	The provision and maintenance of resources and facilities for the people of Catforth, Thurnham and Westby for the pursuit of the Roman Catholic religion in these areas and educational purposes.
St Ignatius Legacy Fund	Legacies received and previously held as general parish funds which were given for the upkeep of the parish property now in the Canonical ownership of the Diocese.
Diocesan Catholic Caring Fund	To provide support for diocesan sponsored caring activities.
Good Shepherd	To assist diocesan projects that aim to support the poor and disadvantaged, particularly the young and those with special needs.
Legacy (M Lawton)	To be applied towards the purposes of education in the Diocese of lay adults and children.
Diocesan Schools Singing Program	To be used to support sing in schools
Mary Strand Trust	To bring relief to those experiencing poverty arising from unemployment, sickness, disability or other misfortunes that life throws
The Moyston Fund	To meet similar aim as the Moyston Trust, which is to be merged with the Diocesan Trust, namely to provide for the Roman Catholic education of children and to support the Roman Catholic religion within the geographical boundaries of the Diocese of Lancaster.
Sundry	For the purposes of those funds.
Parishes	
St John Vianney & St Monica, Legacy	For the parish building fund.
Our Lady of Eden, Carlisle, Reverend Turner legacy	For the refurbishment/rebuilding of the St Ninian's Chapel, Brampton, Carlisle.
St Mary, Fleetwood, Legacy	For the saying of Masses for the nominated family members (name not published for privacy)
Our Lady & St Wilfrid, Warwick Bridge, Carlisle, Restoration Fund	For the restoration of the church of Our Lady & St Wilfrid, Warwick Bridge, Carlisle.
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund	For the poor & needy parishioners of the parish of St Wulstan & St Edmund's, Fleetwood, Lancs.
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth -Food Pantry	Running of a food bank to assist poor and need in the local parish area
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth -Grants	Grant received to help towards cost of repairs to the church.
Christ the King, Workington, Stella Maris	To fund repairs works to the church of Our Lady and St Michael, Workington
Refugee support projects (various parishes)	To support Syrian refugee families.
St Thomas, Clayton, legacy	Maintenance and upkeep of the church.
St Mary & St James, Scorton, Legacy	Maintenance and upkeep of the church.
St Francis Goosnargh, Grant	Grant received to help towards cost of repairs to the church.
Blessed Henry Newman, Morecambe, Grants	Grants received to help towards cost of repairs to the church.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

13.2 PERMANENT ENDOWED FUNDS

CHARITY - Lancaster Capital Common Investment Fund
GROUP- Lancaster Capital Common Investment Fund

Previous year 5 April 2024

Charity - Lancaster Capital Common Investment Fund
Group - Lancaster Capital Common Investment Fund

Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
£000	£000	£000	£000	£000	£000
651	21	-	(21)	(34)	617
651	21	-	(21)	(34)	617
567	17	-	(17)	84	651
567	17	-	(17)	84	651

The Lancaster Capital Common Investment Fund represents the endowment fund held by the Charity.

As a direct result of the further scheme of the Charity Commission dated 2 May 2000 (applied on this date but sealed 6 November 2000), as mentioned earlier in the Trustees' Report – Investment Powers, the trustees have transferred a portion of general reserves and reclassified these as an endowment fund "Lancaster Capital Common Investment Fund".

13.3 PARISH GENERAL FUNDS (including designated funds)

CHARITY
GROUP

Previous year 5 April 2024

Opening balance	Income	Expenditure	Transfers	Unrealised gains/losses on investments	Closing balance
£000	£000	£000	£000	£000	£000
64,992	8,044	(7,745)	(612)	(1,006)	63,673
65,142	8,501	(8,190)	(612)	(1,006)	63,835
62,748	6,681	(6,611)	(684)	2,858	64,992
62,898	7,061	(6,990)	(684)	2,857	65,142

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

13.4 DIOCESAN GENERAL FUNDS (including designated funds)

5

	Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
	£000	£000	£000	£000	£000	£000
CHARITY	2,244	1,359	(2,018)	831	(2)	2,414
GROUP	4,790	1,459	(2,084)	831	(122)	4,874
	630	2,600	(1,945)	953	6	2,244
	2,899	2,682	(1,989)	953	245	4,790

Previous year 5 April 2024

Charity
Group

13.5 DESIGNATED FUND (included in general funds)

CHARITY: Diocesan central agencies

Evangelisation (support of evangelisation projects within the Diocese as directed by the Bishop)
Newbridge House (support spirituality projects within the Diocese as directed by the Bishop)
Vocations (support vocations at the discretion of the Bishop)
Special collections (for purposes of each special collection)

Parishes none

	Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
	£000	£000	£000	£000	£000	£000
	194	12	(56)	22	-	172
	96	2	-	-	-	98
	21	1	-	(22)	-	-
	49	-	-	-	-	49
	360	15	(56)	-	-	319
	-	-	-	-	-	-
CHARITY total	360	15	(56)	-	-	319
GROUP total	360	15	(56)	-	-	319

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

Previous year 5 April 2024

Charity: Diocesan central agencies

Evangelisation	£000	£000	£000	£000	£000	£000
Newbridge House	232	7	(42)	(3)	-	194
Vocations	96	-	-	-	-	96
Special collections	21	-	-	-	-	21
	49	-	-	-	-	49

	398	7	(42)	(3)	-	360
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Parishes none

	-	-	-	-	-	-
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Charity total 2024

	398	7	(42)	-	-	360
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Group total 2024

	398	7	(42)	-	-	360
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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

14.1 GROUP

PARISHES GROUP BALANCES					CENTRAL DIOCESAN AGENCIES GROUP BALANCES					2025	2024
	Unrestricted Funds	Restricted Funds	Endowment	Total	Unrestricted Funds	Restricted Funds		Total			
	£000	£000	£000	£000	£000	£000		£000	£000		
Fixed assets	30,725	-	-	30,725	4,870	1,121		5,991	36,716	36,891	
Investments	19,853	-	617	20,470	2,096	9,680		11,776	32,246	34,572	
Stock	17	-	-	17	6	-		6	23	17	
Debtors	1,027	-	-	1,027	39	-		39	1,066	699	
Cash at bank and in hand	9,566	382	-	9,948	3,342	2,149		5,491	15,439	14,705	
Creditors: amounts falling due within one year	(964)	-	-	(964)	(999)	(425)		(1,424)	(2,388)	(2,101)	
Creditors: amounts falling due after more than one year	(60)	-	-	(60)	-	-		-	(60)	(47)	
Internal balances:											
Loans	(1,862)	-	-	(1,862)	1,862	-		1,862	-	-	
Diocesan bonds	5,533	-	-	5,533	(6,342)	809		(5,533)	-	-	
NET ASSETS	63,835	382	617	64,834	4,874	13,334		18,208	83,042	84,736	

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

14.2 CHARITY

	PARISHES				CENTRAL DIOCESAN AGENCIES				2025	2024
	Unrestricted Funds	Restricted Funds	Endowment	Total	Unrestricted Funds	Restricted Funds	Total			
	£000	£000	£000	£000	£000	£000	£000		£000	£000
Fixed Assets	30,483	-	-	30,483	4,870	1,121	5,991	36,474	36,646	
Investments	19,853	-	617	20,470	45	9,680	9,725	30,195	32,684	
Stock	-	-	-	-	6	-	6	6	6	
Debtors	1,025	-	-	1,025	39	-	39	1,064	705	
Cash at bank and in hand	9,523	382	-	9,905	3,346	2,149	5,495	15,400	14,670	
Creditors: amounts falling due within one year	(882)	-	-	(882)	(1,412)	(425)	(1,837)	(2,719)	(2,671)	
Creditors: amounts falling due after more than one year	-	-	-	-	-	-	-	-	-	
Internal balances:										
Loans	(1,862)	-	-	(1,862)	1,862	-	1,862	-	-	
Diocesan bonds	5,533	-	-	5,533	(6,342)	809	(5,533)	-	-	
NET ASSETS	63,673	382	617	64,672	2,414	13,334	15,748	80,420	82,040	

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2025
NOTES TO THE ACCOUNTS

15 CONTINGENT LIABILITIES

In the opinion of the trustees there were no contingent liabilities in existence, other than in the normal course of the activities of the charity, as at 5th April 2025 or at 5th April 2024.

16 RELATED PARTY TRANSACTIONS

Due to the nature of the charity's operations and the composition of the trustee body, it is inevitable that transactions may take place with organisations in which a member of the trustees may have an interest. Such transactions involving organisations in which a member of the trustee body may have an interest are conducted at arm's length.

Following his appointment as Bishop of Lancaster in April 2018, Right Reverend P Swarbrick holds positions on non-diocesan bodies, including Ushaw College.

The diocese is a shareholder in Inter-Diocesan Fuel Management Limited (IFM), a company set up in conjunction with other dioceses in order to obtain competitively priced energy for diocesan properties. Most fuel payments are made through the IFM bulk buying scheme.

At 5th April 2025 an amount of £55,473 (2024 £55,473) was owing to the diocese from IFM in respect of overpaid contributions, disclosed under other debtors and an amount of £749,968 (2024: £533,050) was owed to IFM from individual parishes and other bodies in respect of energy costs, disclosed under other creditors.

The Blessed Edward Bamber Catholic Multi Academy Trust (BEBCMAT), the Mater Christi Multi Academy Trust (Mater Christi) and the Mater Ecclesiae Multi Academy Trust (Mater Ecclesiae) are each considered as related parties as both the Roman Catholic Bishop of Lancaster and the Lancaster Roman Catholic Diocesan Trustees Registered are members of BEBCMAT and Mater Christi.

During the year the Diocesan Education Service received the following amounts from the:

	<u>2025</u>	<u>2024</u>
	£	£
<u>BEBCMAT</u>		
Inspection fees	4,700	3,200
Training & conference fees	11,526	3,250
Academy support services	60,278	38,640
Academy Conversion charge	18000	4,000
<u>Mater Christi</u>		
Inspection fees	6,100	4,900
Training & conference fees	8,535	8,195
Academy support services	52,541	46,335
Academy Conversion charge	6,000	-
<u>Mater Ecclesiae</u>		
Inspection fees	4,000	2,800
Training & conference fees	5,570	2,680
Academy support services	48,800	24,995
Academy Conversion charge	4,000	16,000

17 HERITAGE ASSETS

The diocese, via its parishes, holds work of art, historic treasures, plate and similar items which are not capitalised in these accounts. In the opinion of the trustees these are considered to be historical assets which are integral to the charity's overall objectives of advancing the Roman Catholic religion and do not fall under the definition of heritage assets.

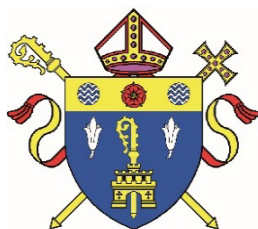
LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

England & Wales - Charity number 234331

Accounts

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED
5 APRIL 2024**



Registered charity number 234331

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024

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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024

TRUSTEES AND ADVISORS

The Charity is governed by a Trust Deed dated 31 July 1934 (as subsequently amended by schemes of the Charity Commission) and is registered by the Charity Commission of England and Wales as charity number 234331. The Diocese was created by the Holy See in 1924, the northern area formerly having been within the Diocese of Hexham and Newcastle and the southern area having been within the Archdiocese of Liverpool.

Address

The Pastoral Centre
Balmoral Road
Lancaster
LA1 3BT

Trustees

The following served as trustees during the year:

The Right Rev Bishop P Swarbrick
Rev M Docherty
Rev Canon P Embury
Rev Canon P Hart
Sister R Thomas (resigned September 2023)
Mr P Briers
Mr M Callagher
Mr M Forrest (resigned September 2023)
Mrs L Forster (resigned December 2023)
Mrs S Greenwood
Ms N Wisdom
Mr A Woowat

Custodian Trustee

Lancaster Roman Catholic Diocesan Trustees Registered a body incorporated under the Charitable Trustees Incorporation Act 1872 (now Part 12 of the Charities Act 2011).

The custodian trustee holds the property and other assets of the charity on behalf of the Charity Trustees.

Secretary to the Trustees

Ms K Heaton-Brown

Investment managers

Quilter Cheviot
One Kingsway
London
WC2B 6AN

Solicitors

FMGS Law Ltd
1 Middle Street
Lancaster
LA1 1JZ
(appointed September 2023)

Auditors

MHA
Richard House
9 Winckley Square
Preston, Lancs
PR1 3HP

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024

REPORT OF THE TRUSTEES

Aims and objectives

The principal purpose of the charity is the furtherance of the Catholic religion within the Diocese of Lancaster. This is achieved by such charitable purposes as the Bishop of Lancaster, in his absolute discretion, shall think fit in accordance with the Trust Deed, the principal objectives of which are as follows:

- The provision, maintenance and upkeep of churches, public chapels and presbyteries.
- The provision of religious services in these churches and public chapels.
- The provision and maintenance of houses and colleges for the education and training of priests and persons wishing to become priests.
- The maintenance, support and provision of medical and surgical aid and accommodation for infirm and aged priests and the burial of deceased priests.
- The provision of support for priests and clerics working in the Diocese.
- The relief of poor persons professing the Roman Catholic Religion.
- The provision and maintenance of schools and colleges for young people.
- The provision and maintenance of houses, study halls and residences for teachers.
- The provision and upkeep of accommodation for infirm or aged priests.
- The provision and maintenance of cemeteries.
- The provision and maintenance of parish rooms and halls for the enlightenment, education and religious and moral benefit of people of the diocese.
- The provision and maintenance of hospitals and sanatoria for the poor.
- The acquisition of sites for buildings in connection with the above.
- Generally, for any such charitable purposes as, in the opinion of the Bishop, may be conducive to the advancement or maintenance of the Roman Catholic religion in the Diocese of Lancaster.
- Such charitable purposes as shall advance the religious and other charitable work of the Diocese as the trustees with the approval of the Bishop shall from time to time think fit. If at any time the Diocese shall cease to exist or there shall cease to be any religious or other charitable work carried on by the Diocese, then for such other lawful charitable purposes connected with the advancement of the Roman Catholic religion as the trustees shall determine.

Organisation, governance and decision-making

The Diocese of Lancaster has at present (June 2024) 70 parishes with regular services available in around 100 churches and chapels and 81 schools (a mix of academies and VA schools) throughout the whole of the county of Cumbria and those parts of Lancashire, north of the River Ribble and the west of the Pennines. The communities served by the charity are quite diverse and include towns/cities in Cumbria such as Barrow, Workington, Carlisle and Whitehaven and the whole of the Lake District. In urban areas, parishes might be just a few square miles in size, whereas in the more rural parts of Cumbria parishes can be 200+ square miles. In Lancashire the coastal resorts of Blackpool and Morecambe fall within our boundaries, as does the city of Preston.

Although a clear structure of accountability and authority exists within the Catholic Church, as far as possible, day-to-day decision-making and actual pastoral practice takes place at local level in accordance with diocesan policies and wider Church beliefs. Individuals are encouraged to be involved with the delivery and planning of the services that our parishes provide to local communities. Parishes are, for example, expected to have various committees to advise priest-leaders on finance and property as well as the care of the charity's beneficiaries. As there are declining numbers of priests in this country, local communities are increasingly taking a greater responsibility in the running of their parishes. Whilst the trustees of the charity have overall responsibility in civil law matters, many of these local committees are constituted in Church Law, and act in an advisory capacity to Parish Priests/Priests in Charge; however, their work to support their Parish Priests/Priests in Charge and the trustees in their own responsibilities is invaluable.

Meetings of the board of trustees, at which the operation of the charity is discussed, are held regularly though out the year with at least nine meetings per annum. Although overall governance is vested with this body, its decision-making is informed by the work of sub-committees through their regular reports. Trustees play a significant role on each of the charity's main sub-committees.

The principle sub-committees are:

Trustees' Safeguarding Sub-Committee

The diocese and its trustees are committed to safeguarding children, young people and adults at risk in accordance with civil and national Church guidelines.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024

REPORT OF THE TRUSTEES

The Lancaster Diocesan Trustees' Safeguarding Sub-committee oversee safeguarding matters in accordance with recommendations arising from the recent ICSSA enquiry into historic sexual abuse. The diocese is working towards full compliance with the newly developed national catholic safeguarding standards. The Safeguarding Sub-Committee will oversee the necessary governance arrangements in order to monitor that procedures are followed and best practise is developed and maintained. The diocese will be subject to audit by the National Catholic Standards Agency (CSSA) which has regulatory, advisory and audit functions.

Day to day safeguarding work is undertaken by the Diocesan Safeguarding Coordinator whose responsibilities includes oversight of the creation and continuation of a safe environment throughout the diocese; responding when concerns are raised and undertaking the necessary liaison with statutory agencies; supporting those hurt by abuse and managing those church personnel who have caused harm. Each parish has one or more safeguarding representatives.

Finance Sub-Committee

This committee, which is supported by a Certified Accountant who is a diocesan officer, monitors the day to day financial activities of the charity, particularly its liquidity and financial health, setting and controlling the central diocesan budget, and monitors delegated expenditure by parishes (up to £8,000 per project or item). The diocesan office, which reports to this committee, processes most of the charity's Gift Aid claims and the 'annual financial returns' submitted from parishes and other bodies; these are then consolidated into these main charity accounts. The charity's strategies against fraud (and possible bribery) also sit with this committee. The committee does not of itself currently have delegated spending powers; it is also responsible for liaising with the charity's external auditors. The Finance Committee in conjunction with the Property Committee is delegated to approve expenditure on individual property maintenance projects costing up to £25,000. Both committees must agree otherwise the matter is to be referred to the board of trustees.

Property and Health & Safety Sub-Committee

This committee is supported by a qualified surveyor, who is also a diocesan officer, examines and makes judgment on the appropriateness, and the value for money of, property projects submitted by the trustees, or parishes of the diocese. Again, parishes must come to the trustees with any projects over £8,000 in value. The committee also examines proposed leases, and land sales or purchases in accordance with best practice and Charity Law. Currently, all proposed leases (and projects over £8,000) are ratified by the full trustee body. The Property Committee in conjunction with the Finance Committee is delegated to approve expenditure on individual property maintenance projects costing up to £25,000. Both committees must agree otherwise the matter is to be referred to the board of trustees.

This sub-committee ensure that the statutory duties under the Health and Safety at Work Act 1974 and other relevant statutory instruments are met within the Diocese of Lancaster. It will represent the diocese on health and safety and act to protect the health and safety of the clergy, diocesan employees and other people who might be affected by their business within the Diocese of Lancaster. We continue to develop the computerised system introduced across the diocese for the evaluation, monitoring and reporting of health and safety at each "site" operated. Training and health and safety advice and support is provided with this system.

Investment Sub-Committee

Members are drawn primarily from the Finance Sub-Committee and the diocesan Faith and Justice Commission. This sub-committee is responsible for setting policy and monitoring performance of the charity's investments, most of which are designated to individual parishes, but are under the control of the charity in civil law. Professional investment fund managers externally manage the portfolio of investments. The charity was one of the first Catholic dioceses to introduce an ethical and socially responsible investment strategy, and it uses an ethical screening service to this end. The portfolio manager issues a quarterly report of investment performance and an ethical screening report twice yearly as well as meeting face-to-face annually. The investment manager ensures that the portfolio complies with the Diocesan Ethical Policy.

Board of Education and Formation

The Education Service supports 81 schools to ensure that they are successful and act in accordance with the Trust Deed of the Diocese. This involves offering advice and direction on a broad range of educational matters such as, Religious Education and curriculum issues, Catholic Life of a school, staffing and recruitment, governance, admissions, capital and academy developments. The Diocesan Schools Commissioner works closely with the Catholic Education Service, the Regional Schools Commissioners (North and Northwest), Parishes, Local Authorities, and the Department for Education to secure the best support for the schools of the Diocese.

Our Catholic schools and sixth form college have an important part to play in the mission of the Church. Our Diocesan schools make a strong contribution to education in Cumbria and North Lancashire. They exist so that the Gospel of

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Jesus Christ is announced to future generations. As Bishop Paul Swarbrick says, "Our Catholic schools have been the bedrock of our mission to make Jesus Christ known and loved in our communities for nearly two centuries. Events in recent years have highlighted how vital our schools are and how their work and witness reveal Jesus Christ's presence in their locality. Our schools are an integral and critical part of the Diocese of Lancaster's mission.

Diocesan Schools Buildings Committee

This monitors the repair and development budgets for school buildings of Voluntary Aided Schools in the Diocese. In the voluntary sector, building work is commissioned by the governors/schools with the State paying up to 90% of eventual costs in grant-aid. This is provided in the form of an annual budgeted amount of 'SCA' money, which is then bid for by schools through a local committee process, aided by a professional officer, to prioritise projects according to need, and to ensure best value for the taxpayer.

As the academisation program progresses the monitoring and control of schools' building will change and this will impact on the operation and function of the Schools Building Committee.

Diocesan Youth Service Management Group

Currently two trustees serve with others on this committee which oversees the direction and management of our Diocesan Youth Service. Youth Service staff co-ordinate and train volunteers in the parishes and assist with the organisation of events for young people, including the diocesan pilgrimage to Lourdes where our youngsters learn to work with elderly, sick and disabled individuals and groups. The residential diocesan youth centre at Castlerigg in Keswick, which has been open for more than 40 years, draws together young people from schools and parishes from all over the Diocese and beyond, supporting both Catholics and those not of our tradition alike. The centre helps educate young people to develop their physical, mental, moral and spiritual abilities so that they grow up to enable them to contribute positively to society as well as helping them achieve their potential as human beings.

Other diocesan commissions and agencies

See below for information on other diocesan commissions and agencies.

Trustees

In accordance with clause 15 of the Trust Deed, new trustees are appointed by resolution of the trustees but only with and subject to the approval of the Bishop of Lancaster. Trustees are appointed with a view to the overall needs of the Diocese, and considering their skills and backgrounds. Recruitment is undertaken internally or externally whenever a vacancy arises, or at any time, to ensure there is an appropriate pastoral and professional representation including educational, finance, accountancy, legal and property experience. Trustees are not expected to have knowledge of all the operations of the charity upon appointment, but will learn about these through the way trustees' meetings are conducted as well as by serving on sub-committees. The responsibilities of trustees in law are clearly explained on the Charity Commission website, and training opportunities are offered as appropriate; though it is appreciated that many trustees are already in full-time employment.

The central administration of the charity has paid qualified staff supporting the work of the trustees. There are also many volunteers working at every level within the charity, many of whom have considerable professional experience. We would estimate (broadly) that volunteers provide a full-time equivalent of 75 employees, representing a donation of time equivalent to at least £1.5m throughout each year.

Subsidiary entities

The charity has several subsidiary charities and limited liability companies that it controls. Details of these are given in note 2. The subsidiary charities have similar aims to those of the Diocese of Lancaster. The limited companies carry out trading activities, mainly that of social centres and clubs. The financial results of all these subsidiary entities are consolidated into the group accounts.

Investment powers, policy and performance

The trustees' investment powers are governed by the Trustees Act 2000. By an Order of the Charity Commission dated 10th January 1996, the trustees were empowered to delegate certain management and dealing authority to their investment manager. Investments comprise a mix of UK FTSE 350 equities, UK gilts, cash & unit trusts, North American equities, European equities and Alternative Investment, the latter include "green" investments. All individual investments conform to the Trustees Investment Policy which includes criteria established in accordance with the Diocesan Ethical Investment Policy which is reviewed regularly. The return on investments in recent years has been good when considered against comparable benchmarking. The trustees are satisfied that the capital performance and income generated are more than satisfactory and meet our current needs and strategies.

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Planning for the future

In line with many other Catholic dioceses in England and Wales, the charity is facing the issue of how best to deliver its services for stakeholders against the backdrop of declining numbers at church. Buildings for worship were often constructed in years gone by when demographics were quite different to today and when the principles of design were also quite different.

Our church buildings and parish communities have a special place in the hearts of many Catholics; therefore the capacity to adapt to changing circumstances does not always come easy, and the Bishop together with the trustees recognise this when plans are being considered. An important strategic review document, formed after extensive consultation, 'Fit for Mission?' remains the blueprint for many of the changes that necessarily must take place.

Our schools however remain popular, with overall pupil numbers broadly static. Many of our schools serve areas of relative social deprivation. We also have well-used church halls across the diocese, many of which are used by the wider community for non-religious use.

Review of activities – general

The activities of the charity are carried out in three main areas: parishes, schools and diocesan. All are directed towards promoting the Faith and spreading the Word of God. Although most direct contact with beneficiaries is via parishes and schools there is a significant amount provided by the diocese which also provides support to the schools and parishes. It is difficult to quantify the Spiritual "success" of these activities but most parishes remain well supported despite the overall decline in Mass attendance and the number on roll at schools remain high. It is also difficult to gauge the financial benefit of activities. How can the "success" of rich and poor parishes be compared?

Review of activities - parishes

Most of the charity's beneficiaries' contact with the charity is at local level; that is our parishes. The reach and impact of parish ministry includes contact with people in schools, hospitals, higher education establishments and prisons. As well as religious services, parishes provide many additional activities including youth groups, social groups, and important support for some of the most vulnerable in our society.

Practical support for those in need, both at home and abroad, feature prominently in the regular activities of many parishes. Although many parish activities nourish those who attend church or are closely connected to it, the evangelising nature of the Gospel imperative and the call to service mean that our parishes are also outward-looking communities with a sense of contributing to the common good of the wider community and building-up 'social capital'. Parishes have a degree of autonomy within the charity, not least because locally delivered services are best planned and delivered by local people. Each parish has its own bank account and is responsible for its own income and expenditure, according to the principle of subsidiarity. Financial records are also kept locally, with annual financial returns being submitted. Independent Financial Examiners are appointed in each parish and several parishes are randomly selected for more detailed external audit each year. All bank balances and account transactions can be viewed centrally for monitoring purposes, with an alert system in place for any unusual or significant transactions.

There are at present (December 2024) 46 diocesan priests working for and within the diocese, together with 11 priests on loan to us from elsewhere. A further 4 diocesan priests are engaged in non-parochial ministry outside of the diocese. There are also 30 retired priests for whom we care. Some priests and sisters from religious communities have a presence in the diocese, either working with the charity or doing similar work under their own auspices. The Diocese has undertaken several initiatives to welcome more religious priests and sisters to minister in our community. Their presence in the Diocese adds a new and vibrant element which will be beneficial to the Diocesan Family. Any overseas religious coming to the Diocese comply with all immigration and safeguarding requirements.

The diocese is aware that immigration is an important national issue, and always seeks, as a recognised Level 1 Sponsoring Body, to only invite an appropriate number of individuals into the country. These have clearly defined religious roles and the diocese undertakes to provide for their upkeep. Thanks are due to the United Kingdom Visa and Immigration Office for the role they play. It should be noted that such invitations are to complement the work done by indigenous priests (a shortage occupation at the current time) and religious communities, not replace it. Our strategy for promoting vocations to priesthood remains at the forefront of our minds, though it is recognised that this 'career' does not fit neatly into usual 'recruitment' models or remuneration packages.

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Review of activities - diocese

In addition to the principal trustees' sub-committees listed above, diocesan structures exist to support and implement the decisions of the Bishop and trustees. These include a range of committees, service delivery bodies, advisory boards and commissions to provide assistance to the Bishop in his ministry of oversight and service within the diocese. There are also several funds managed at diocesan level for the general benefit of the diocese as a whole; these include:

Faith & Justice Commission

The commission works with parishes, schools and youth groups throughout the diocese in promoting justice and peace issues, particularly in raising awareness and encouraging involvement with these. Significant emphasis is placed on a greater understanding of world development. The commission organises conferences and produces regular newsletters for the people of the diocese. A part-time worker is employed to support this work.

Sick & Retired Priests Care Fund

The diocese looks after its aged and infirm clergy through the Sick and Retired Priests Care Fund. This is a restricted fund to support those priests who have retired and those recovering from illness. The fund provides a discretionary retirement grant for priests no longer in active ministry, and a home where needed. Some retired priests continue to serve the diocesan community in a reduced role providing occasional help. The fund provides support for some retired housekeepers and manages residential properties for retired clergy situated in the diocese.

Whilst many priests generously continue to serve past conventional retirement age (75 for clergy in Church Law), we do have an increasing number of those retired due to longevity of life and medical advances. Care of these priests is included as an integral part of the diocesan Trust Deed.

Ecclesiastical Education Fund

This (restricted) fund provides financial support for the selection and formation of students preparing for the Priesthood and for the Permanent Diaconate in the diocese. Currently we have three students in training for the Diocesan Priesthood. It also supports ongoing formation of the clergy and provides for priests undertaking postgraduate studies in the UK or abroad. The fund also supports the Vocations Directors for Priesthood and the Permanent Diaconate and their teams in the work of promoting vocations.

Lancaster Diocesan Pilgrimage Trust

The Pilgrimage Trust oversees the annual diocesan pilgrimage to Lourdes for the sick and disabled pilgrims and their families. The pilgrimages are extensively supported by the young people and volunteer medics and carers of the diocese who assist in the care and transporting of the sick and disabled.

Public benefit

The Charities Act 2006 has included "Public Benefit" in the definition of a charitable purpose, such that all organisations wishing to be recognised as charities must demonstrate explicitly that their aims are for the public benefit. Based on the Charity Commission guidance, specific examples of a public benefit include the advancement of religion, the advancement of education, the prevention or relief from poverty, the relief of those in need by reason of youth, age, ill health, disability, financial hardship etc. As a "mainstream" religious denomination (and that religion has been stated by parliament to be a charitable purpose) the trustees are confident that the existing aims and activities of the charity, as set out above, sit comfortably within the Charity Commission guidelines.

Many parishes have outreach groups/activities committed to actively working for the needy in their locality. As far as is possible, practical help is given at the point of need, rather than to schemes and projects, though the latter also often happens. Many parishes in urban areas are now involved with local food banks.

International aid also features in the activities of many parishes, usually using existing recognised charities established for this purpose (e.g. CAFOD), or through religious orders who have people on the ground to ensure that aid is used for the purpose it is given. Some parishes have formal links with the projects they support and this ensures good communication and education about the issues facing people in difficult situations abroad.

It should also be recognised that well over 1,000 weekly visits are made to the elderly in their homes throughout the year. We also have teams of chaplains working in hospitals (often on 0.2 of a post) and other healthcare facilities; with many of the clergy working in these places offering a round-the-clock availability throughout the year. Many of these are undertaken by volunteers.

One of the principal activities within each parish is the celebration of Mass by the parish priests. Approximately 11,000 (December 2023) people attend Sunday Mass within our Diocese. But parish priests do far more than celebrate Mass: they are active leaders in our communities and many of our clergy are involved with people at important times of their

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lives, such as births, marriages and bereavement. Although a church service may take only one hour, this is usually preceded by several hours of contact and preparation with those concerned. Most clergy engage in personal counselling, even if informally; others have trained to use sign-language to provide spiritual support to those who have serious hearing impairments. There is clear evidence that most of our schools - which are open to non-Catholics as well as Catholics - produce good results, both academically and socially. Although our schools are denominational in nature, OFSTED reports often comment on their positive achievements in areas of social inclusion, community cohesion, mutual respect and understanding, and promoting citizenship. Faith groups also provide important support and anchor points for persons who are new to the country. One of the strengths of church communities is that they provide community 'anchor-points', which often includes the church building itself, which has sometimes been used by generations of the same family. Of its nature, the Church does not only look after its 'own', but serves the wider locality; it is difficult to gauge the full amount of social investment that is accumulated from the efforts of people of faith, not least because they often do their work deliberately unnoticed and unsung. We know that many parishioners participate in other local charitable endeavours which may or may not have any faith connection.

The stability of parish life is important in a changing world, but that does not mean that local communities are not responding to changing times. Some youth groups, for example have been around for many years with inflow and outflow of young people; other activities for young people are established in the knowledge that they will have a timespan to serve a particular group of young people, who will inevitably move on to other things as they get older or move to university.

It is worth mentioning that many church communities collaborate with other non-Catholic church communities in social projects, so that the interaction generated avoids duplication and best allows delivery of a quality service. One such project includes the 'Street Pastors' initiative which puts volunteers on the streets of cities and towns at night to coincide with young adults' social activities. The initiative not only provides a listening ear, but often helps people get home more safely, and frees up the emergency services to deal with more pressing matters – such initiatives are always done in partnership with the local authority and the Police.

Our Lake District churches and youth centre serve people who come to the area for recreation. Similarly, those coming to seaside resorts such as Blackpool and Morecambe, often come to services during their stay and receive hospitality.

Charitable objectives

The principal objectives of the charity are the provision of churches, religious services, halls, welfare of clergy, relief of poverty and education. The days of diocesan expansion through construction of new church buildings are all but over. The challenge now is to keep existing places of worship open in the context of declining numbers of worshippers and fewer clergy. Creative twinning or merging of parishes is an on-going process, led by the diocesan bishop, who has the primary responsibility for the conduct of public religious worship. It is also true that use of motor vehicles aids mobility and facilitates journeying to other Catholic churches further afield; this being said, there is still great loyalty to local parishes.

The charity continues to respond to developments in education. Our one sixth form college and 11 secondary schools and 69 primary schools, some of which are in socially deprived areas, are run by good staff and are overseen by volunteer governing bodies. OFSTED reports are generally very positive with some outstanding schools being identified, or good schools with some outstanding features. The provision of an academy support trust, and close liaison with local authorities by the Diocesan Education Service helps to ensure that our faith-led education sector keeps up with change and can respond to developing needs quickly.

Our diocesan priests are required to take on more work as their numbers decline. The boom years for clergy were the 1960's and early 1970's. Since then the ratio of priests to people nationally has returned to where it was for much of the late 1800's and early 1900's (that is 1:750). However, we now have more churches open than 100 years ago, all of which need staffing (even if part-time). In common with other dioceses and denominations, clergy are developing new ways of working to ensure the provision of quality and quantity of worship and pastoral services to our beneficiaries, which includes an ever greater use of lay leadership and deacons. At the same time, our clergy are to be commended, that they have not withdrawn from other areas of pastoral ministry to prisons, hospitals and schools for example.

Serious incident reporting

No serious incidents have been reported during the year of review.

Review of financial performance

The group (including social clubs) reported a surplus, before investment gains, of £796k for the year (2023: loss of £114k).

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The charity (parishes and central diocese only) reported a surplus of £757k (2023: loss £131k). The loss if after gains on sale of assets (surplus properties) of £370 (2023: £46k).

There was an increase in the market value of group investments £4.5m (2023: decrease £4.30m). Investment values have remained fairly stable post year end. The market value of group investments at 5 April 2024 was £34.57m compared to £30.62m at 5 April 2023.

At the end of the financial year, the diocese had net positive group credit bank balances of £14.7m (2023: £13.53m), with additional cash balances of £201k (2023: £16k) held as part of the investment portfolio.

The following is a summary of the financial performance of the Diocesan charity for the last six years: -

	2024	2023	2022	2021	2020	2019
	£000	£000	£000	£000	£000	£000
Net results of the charity	757	(131)	412	(523)	(2,647)	4,998
Gains/(losses) on investment	4,625	(4,027)	1,118	7,558	(4,164)	(348)
Net movement in funds	5,022	(4,158)	1,530	7,035	(6,811)	4,650

Total charity funds at 5 April 2024 were £82.04m (2023: £77.01m) and total group funds were £84.73m (2022: £79.43m).

Income

Total charity incoming resources were £9.97m (2023: £8.44m) and the charity reported a surplus on activities of £757k (2023: loss of £131k). There was a large increase in the value of investments and the unrealised gain on these for the charity was £4.26m (2023: unrealised loss £4.03m) resulting in total fund movement (increase) of £5.02m (2023: decrease £4.16m). There was a gain on disposal of assets of £370k (2023: gain £46k).

There has been an increase in voluntary income streams of the charity with the total of donations and legacies increasing from £4.72m to £5.56m. Legacy receipts increase from £924k to £1.46m. Donations received increased from £714k to £788k. Income from Charitable Activities has increased overall from £1.19m to £1.47m.

Mass offertory collections have increased from £2.26m to £2.34 reflecting Mass attendance returning to a “new normal” following the pandemic. Mass offertory and Mass attendance remain below pre Covid 19 pandemic levels and there is an underlying downward trend in Mass attendance which has been the trend for many years now.

The average giving per head for 2024 was £4.35 (2023: £4.36) on the reported average Mass attendance figure of 11,020 (December 2023) per week, before Gift Aid, and not including other donations. This Mass attendance figure for 2023 is higher than that recorded in December 2022 of 10,398 but still significantly lower than pre-pandemic level which was circa 14,000 per week. Future Mass attendance is not expected to increase.

As the name suggests, ‘voluntary donations’ or ‘donations’ are at the discretion of the donor, and at the present time pushing for more, especially in poorer communities might be deemed inappropriate. However, the trustees note that other charities have had to respond to drops in their income by developing new methods of fundraising. The scope for this within church on a Sunday is limited, but a possible fundraising initiative in the future might be adopted.

Thanks are due to our parishioners and other donors for their continued and generous support.

Income of the charity from stocks and shares investments showed an increase from £891k in 2023 to £927k for 2024. Bank interest received increased to £196k from (2023: £121k) received. Future bank interest receipt will depend on future rates and the amount of funds placed directly on deposit. Interest is no longer paid on the total of net bank balances held.

Trading/cost of raising funds

The trustees do not consider that the charity has any trading income and that any sale of goods etc is from charitable activities and such activities are fund raising and not trading. Such income only forms a small part of the charity’s total income. Although the charity has used the standard SORP heading “Other trading activities” which include “social clubs” and “fund raising – fetes etc”, the income from these is not trading income. The trading of parish centre bars and proprietary parish clubs is operated through separate limited companies the results of which are consolidated in the group accounts.

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Donated goods form only a very small amount of charity income, although there is no practical method of valuing donated goods, but the total value of these is not expected to be significant. Many of these would be given as raffle prizes.

Expenditure

Resources expended by the charity in 2024 were £9.21m and the comparable figure for 2023 was £8.58m. The cost of the provision of places of worship and other buildings, including repairs and maintenance, increased from £3.96m to £4.25m. The increase in expenditure is directly attributable to the increased costs of heating and lighting and the costs of repairs and maintenance.

Two of the highest areas of expenditure are the provision of places of worship & ancillary buildings at £4.25m (2023: £3.96m), a significant number of which are listed buildings, and the provision of religious services and pastoral care at £2.37m (2023: £2.45m). These two cost headings account for approximately 71% (2023: 75%) of total expenditure of the charity and equate to around 66% (2023: circa 76%) of the total income of the charity. The cost of heating of buildings, particularly churches, and maintenance of buildings, many of which are listed, have increase significantly and are likely to remain high. Total heats costs have more than doubled. It is noted that many church heating systems are out of date and inefficient. The age and listed status of many of our properties mean that locally installed renewables, such as solar power are not often possible to consider.

The charity rarely makes external grants from central diocese; however parishes have a degree of discretion in supporting local causes. Those organisations supported by central diocese include ecumenical partnerships, £12k (2023: £5k) and for the structures of the Catholic Church nationally £92k (2023: £88k). Total of grants, donations and levies for the charity amounted to £671k (2023: £685k).

Staff costs

Total staff costs for the year were higher at £1.43m (2023: £1.19m) with most staff engaged by the parishes. The increase reflects a general increase in wage rates, the full annual cost of replacement staff engaged in the previous year and higher staff costs at clubs and centre with activity in these having returned to more usually levels.

Two employee of the charity received remuneration in excess of £60,000 (2023: 1). See note 5 to the account for more details. No trustee received payment for services as a trustee, though any clergy serving as trustee will receive payment as office holders (i.e. clergy in active ministry).

We employ several professionals as senior management, to work in the central administration of the diocese in the areas of financial management, property management, safeguarding and education. There is a total of 17 (2023: 16) professional staff and support staff with a total remuneration (including pension and National Insurance cost) of circa £634k (2023: £513k).

Again, it should be noted that some of our management, and most of the charity's governance, is by the efforts of volunteers, many of whom have a lifetime of experience in their given field. This applies to the main trustee body, principal sub-committees and diocesan commissions. Parishes rely heavily on volunteers in all aspects of parish live.

A total of £469k (2023: £444k) was paid to clergy as office holders in active ministry. There has been a change in the remuneration available to priests which has resulted in the increased cost. The number of priests in active ministry has decreased from 59 to 57 as recorded at 5 April annually, including priests on loan from other religious orders, of which there were 11 at 5 April 2024 (10 as at April 2023). The decline in the number of serving priests is due to more priests retiring on reaching retirement age than there are men joining the priesthood. An increasing number of priests will retire in the coming years reducing further the number of priests in active ministry.

Staff pay is determined by the trustees for those staff not engaged at parish level. The trustees may decide directly or via one of the sub-committees or boards. The pay of parish staff is decided locally following available guidance from the trustees. The Diocese is committed to ensuring that all staff, wherever engaged, are remunerated at least to the living wage level.

Fund Raising

Fund raising within the diocesan charity is carried out at local parish or department level and there is no co-ordinated diocesan wide fund raising structure or activity. We do not use any professional fund raisers and are not registered with any fund raising body or organisation.

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Local fund raising is usually by means of appeals made at public events such as Mass or by organising events such as coffee mornings, sales or fetes for example. Appeals and events are organised by the Parish Priest or by parishioners on his behalf. A parish priest may on occasion approach an individual parishioner direct for support but this would be rare and by exception and only if the parishioner was well known to him.

Although these public events are open to all, the majority of those who attend are regular and well known supporters i.e. local parish congregations and are often social occasions as well as fund raising opportunities. The members of the congregation are all well known to and by the parish priest and many to each other. These close relationships allow for the easy identification of people who are vulnerable and to take appropriate action to protect them such as involving a family member if a person were to offer a large or unusual donation.

The Catholic Church has a long tradition of raising funds from its supporters. These supporters range from those who are extremely poor to those who are very wealthy and will include many vulnerable people. The Church has taken care to ensure the people can only give what they can afford and that donations are freely given. People are free to attend events or not, will not be pressurised to donate and will not be contacted at home.

The Diocesan Trustees do not have a formal system for monitoring of fund raising activities and due to the nature and widespread location of such activities it would not be possible or practicable to introduce one. The Trustees have not received any complaints regarding fund raising during the current financial year.

Reserves policy

The Diocesan Trustees recognises that the reserves of the Trust reflect the full range of activities across all parishes and the other diocesan activities. There are funds that are held for specific purposes (restricted funds). Detailed records are held which identify the range of reserves for internal management purposes (see note 13), and it should be noted that the policy for the financial management of these reserves will vary with the purpose for which they are held. All restricted funds are reviewed on a regular basis to ensure that funds actively being used of the purpose of each fund.

Parish based reserves often reflect endowments or legacies from previous years, many of which have been given or established to provide for the longer-term costs associated with the care of often large and old buildings, some of which are 'listed' for the public benefit of the nation. It is also important to recognise that in the canon law of the Catholic Church, each parish is an individual entity and the designation of the finances of each entity must be respected; therefore it is often not possible for cash-based funds to be simply moved from one part of the charity to another. However, given that a levy is paid on various sources of parish income to contribute to the costs of centrally provided diocesan services, then those parishes which are better off, or which have reserves are, in fact, contributing to the common good of all.

Many regular voluntary donations by the charity's beneficiaries and donors in parishes will be spent on the general purposes of the charity in that parish within a reasonably short amount of time as 'revenue' expenditure.

When a parish with unrestricted reserves in any asset class requires funding for a particular project, the trustees will consider using these reserves as either partial, or occasionally as full, funding for the project, whilst taking the longer term future of the parish and the overall diocesan position into account. However, some fundraising at local level is normally expected for significant projects, so that parish reserves are not exhausted all at once, unless this is necessary.

Diocesan reserves reflect funds held for broader or group obligations, such as those for investing in the formation of future clergy and the care of sick and retired priests, as well as funds held for specific purposes. There is no doubt that the diocese needs to consider how these reserves can best be applied in the future to help support changes that will take place due to changes in demography, pastoral need and the actual practise of the faith from place to place (i.e. where the charity is committed to provide churches in order to maintain genuine accessibility by the charity's beneficiaries, even where a particular church might be deemed financially non-viable as a standalone unit). It should be noted that the central diocesan administration does not presently hold any long term reserves itself, but has an internal historic debt to parishes, which represents previous unfunded expenditure. With the agreement of parishes, a long term plan is in place to repay this debt over an appropriate period, primarily using 'windfall' receipts.

The net asset distribution of the reserves set out in note 14 reflects conscious decisions which have been taken in respect of liquidity and longer term investment. Across the charity, banking and market based investment arrangements are pooled, and the trustees are satisfied that the unrestricted reserves are sufficiently liquid and under their control that they can fund the activities of the diocese for a period more than 12 months.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
REPORT OF THE TRUSTEES

The charity is currently meeting all its pension contribution arrangements and is fully compliant with auto enrolment. All pension arrangements are contributory schemes there are no final salary schemes. Clergy retirement grants are paid from a separate restricted fund with its own management body. The Clergy investment portfolio is also actively managed by Quilter Cheviot.

The total of group reserves, including endowment funds and restricted funds, at 5th April 2024 was £84.73m (2023: £79.40m) with £36.89m (2023: £36.63m) held in fixed assets, the majority of which is property (mostly churches and presbyteries); investments in shares/stocks £34.57m (2023: £30.60m) and £14.9m in cash at bank, including that held as part of the investment portfolio (2023: £13.54m).

Investments

Reserves are held in several different asset classes, which include cash, market-based investments and property. On occasion, reserves held in physical assets (land and buildings) may be converted from one asset class to another to provide a better income return.

As indicated above, parish cash reserve balances which are not needed for use in the short to medium-term may be pooled with those reserves of others for investment purposes. Our investments have performed quite well over several years. Most of the investment are held in FTSE 350 companies, UK gilts and more recently some North American and European companies. The portfolio valuation at 5th April 2024 was £34.57m (2023: £30.62m) including the investments of the restricted fund for Sick and Retired Priests valued at £3.60m (2023: £3.16m) which is held in a separate fund with a greater emphasis on the generation of income to provide a source of funding for our revenue obligations in this regard.

Our investment manager has a medium high balanced risk brief for potential progressive capital growth and income. In recent years the performance of our investments has compared favourably with the financial sector benchmarks considered by the Investment Committee. The investment policy has been changed to allow wider investment in overseas companies provided that all investments comply with the Diocesan Ethical Investment Policy. Investment income of the Group for the year was £985k (2023: £949k) and unrealised capital gain was £4.5m (2023: unrealised loss £4.30m)

Risk management

The trustees actively review the major risks which they believe the charity is potentially exposed to, identifying the types of risk and the likelihood and potential impact of occurrence, as well as the steps that can be taken to mitigate against these. To mitigate risk the trustees maintain and regularly review a risk register and have put in place insurances, checks, controls and procedures which are communicated to parishes and other diocesan organisations.

A significant percentage of voluntary donations are in cash. Systems exist in parish for the collecting and recording of income, including cash. The Diocesan Finance office scrutinizes all the parish Annual Financial returns for anomalies of discrepancies. A number of parish Annual Financial Returns are also selected for examination each year by the external auditors who visit those parishes selected.

Staff in our Finance Office scrutinizes local bank account balances online daily, noting any significant account movements which are reported to the Finance Sub-committee. Urgent action will be taken to investigate any suspicious transactions or account activity immediately.

The Property Sub-committee monitors approved projects to prevent escalation of costs. Parishes are required to report significant variations on any project's costs. School projects are also closely monitored through the School Building Committee.

At the present time, forty one schools across the diocese have converted to academy status), with each school being part of one of three diocesan multi academy trusts. Several trustees are 'members' of each of these three academy trusts. The aim is for all diocesan schools to convert to academy status in due course. Although we have a good track record with our voluntary schools, academy status is a new area of risk, especially as the directors of academy trusts are responsible for education standards and financial control.

The on-going financial and pastoral viability of a number of parishes continues to be a matter of concern. Where a parish makes a financial loss for three years in a row, this is formally reported to the trustees.

The central administration budget is monitored monthly and a variance report is presented to trustees.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
REPORT OF THE TRUSTEES

Trustees' responsibilities in respect of the financial statements

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity during the year and of its financial position at the end of the year. In preparing financial statements, giving a true and fair view, the trustees should follow best practice and: -

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless this basis is not considered appropriate.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and to ensure that the financial statements comply with the applicable law and provisions of the Trust Deeds. The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities

Appointment of auditors

A resolution to re-appoint MHA as auditors will be considered at a meeting of the trustees.



Rev Canon P Hart - Trustee

Date: 14 January 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

Opinion

We have audited the financial statements of the Lancaster Roman Catholic Diocesan Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 5 April 2024 which comprise the consolidated statement of financial activities, the charity statement of financial activities, the consolidated and charity balance sheet, the consolidated cash flow statement and the notes to the financial statements. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 5 April 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 group and parent 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' 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; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group and parent 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 trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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 auditor's 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:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud,
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness,
- Auditing the risk of fraud in income by way of transactional testing at parish and central diocesan level, testing income recognition in accordance with the SORP, and testing for completeness of income around the year end,
- An evaluation of the charity's internal control environment,
- Challenging assumptions and judgements made by the board, in particular in relation to future performance of the charity and,
- A review of board minutes.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

MHA

MHA

Chartered Accountants and Statutory Auditor
14 Mannin Way Lancaster Business Park Lancaster
LA1 3SW

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN
CATHOLIC DIOCESAN TRUST**

Date: 22 January 2025

MHA is eligible for appointment as auditor of the group by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	PARISH				CENTRAL DIOCESAN AGENCIES			GROUP TOTAL	Group 2023
		Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000		
INCOME FROM:	3.1									
Donations and legacies		4,286	70	-	4,356	1,032	175	1,207	5,563	4,726
Charitable activities		531	3	-	534	846	96	942	1,476	1,197
Other trading activities		1,544	-	-	1,544	276	19	295	1,839	1,723
Investments		602	-	17	619	256	307	563	1,182	1,070
Other		98	-	-	98	272	-	272	370	46
TOTAL		7,061	73	17	7,151	2,682	597	3,279	10,430	8,762
EXPENDITURE ON:	4.1									
Raising funds		460	-	-	460	97	27	124	584	461
Charitable activities		6,522	83	-	6,605	1,892	545	2,437	9,042	8,409
Other		8	-	-	8	-	-	-	8	6
TOTAL		6,990	83	-	7,073	1,989	572	2,561	9,634	8,876
NET INCOME/(EXPENDITURE) before other recognised gains		71	(10)	17	78	693	25	718	796	(114)
Net gains/(losses) on investments	10	2,857	-	84	2,941	245	1,317	1,562	4,503	(4,300)
NET INCOME/(EXPENDITURE)		2,928	(10)	101	3,019	938	1,342	2,280	5,299	(4,414)
Transfers between funds		(684)	-	(17)	(701)	953	(252)	701	-	-
NET MOVEMENT IN FUNDS		2,244	(10)	84	2,318	1,891	1,090	2,981	5,299	(4,414)
RECONCILIATION OF FUNDS										
Total funds brought forward		62,898	391	567	63,856	2,899	12,682	15,581	79,437	83,851
FUNDS CARRIED FORWARD		65,142	381	651	66,174	4,790	13,772	18,562	84,736	79,437

The Statement of Financial activities includes all recognised gains and losses in the year. All the above relate to continuing activities.

The notes to the accounts form part of the financial statements.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
CHARITY STATEMENT OF FINANCIAL ACTIVITIES

	Notes	PARISH				CENTRAL DIOCESAN AGENCIES			CHARITY TOTAL £000	Charity 2023 £000
		Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000		
INCOME FROM:	3.2									
Donations and legacies		4,285	70	-	4,355	1,026	176	1,202	5,557	4,723
Charitable activities		531	3	-	534	846	96	942	1,476	1,194
Other trading activities		1,165	-	-	1,165	258	19	277	1,442	1,472
Investments		602	-	17	619	198	306	504	1,123	1,012
Other		98	-	-	98	272	-	272	370	46
TOTAL		6,681	73	17	6,771	2,600	597	3,197	9,968	8,447
EXPENDITURE ON:	4.2									
Raising funds		89	-	-	89	81	27	108	197	193
Charitable activities		6,522	83	-	6,605	1,864	545	2,409	9,014	8,385
Other										-
		6,611	83	-	6,694	1,945	572	2,517	9,211	8,578
NET INCOME/(EXPENDITURE) before other recognised gains		70	(10)	17	77	655	25	680	757	(131)
Net gains/(losses) on investments	10	2,858	-	84	2,942	6	1,317	1,323	4,265	(4,027)
NET INCOME/(EXPENDITURE) before transfers		2,928	(10)	101	3,019	661	1,342	2,003	5,022	(4,158)
Transfers between funds		(684)	-	(17)	(701)	953	(252)	701	-	-
NET MOVEMENT IN FUNDS		2,244	(10)	84	2,318	1,614	1,090	2,704	5,022	(4,158)
RECONCILIATION OF FUNDS										
Total funds brought forward		62,748	391	567	63,706	630	12,682	13,312	77,018	81,176
FUNDS CARRIED FORWARD		64,992	381	651	66,024	2,244	13,772	16,016	82,040	77,018

The Statement of Financial activities includes all recognised gains and losses in the year. All the above relate to continuing activities.
The notes to the accounts form part of the financial statements.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
BALANCE SHEET

		GROUP		CHARITY	
	Notes	2024	2023 (re-stated)	2024	2023
		£000	£000	£000	£000
FIXED ASSETS					
Tangible assets	9	36,891	36,630	36,646	36,381
Investments	10	34,572	30,626	32,684	28,627
		71,463	67,256	69,330	65,008
CURRENT ASSETS					
Stocks		17	17	6	5
Debtors	11	699	689	705	713
Cash at bank and in hand		14,705	13,529	14,670	13,485
		15,421	14,235	15,381	14,203
Creditors: amounts falling due within one year	12	(2,101)	(1,993)	(2,671)	(2,193)
NET CURRENT ASSETS/(LIABILITIES)		13,320	12,242	12,710	12,010
Creditors: amounts falling due after more than one year	12	(47)	(61)	-	-
NET ASSETS		84,736	79,437	82,040	77,018
FUNDS					
Restricted income funds	13.1	14,153	13,073	14,153	13,073
Endowment funds	13.2	651	567	651	567
Parish general funds	13.3	65,142	62,898	64,992	62,748
Diocesan general funds	13.4	4,790	2,899	2,244	630
TOTAL FUNDS		84,736	79,437	82,040	77,018

Approved by the Trustees on 14 January 2025 and signed on their behalf by



 The Right Reverend P Swarbrick
 Bishop of Lancaster & Chair of the
 Trustees



 Reverend Canon P Hart
 Financial Administrator & Trustee

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
CONSOLIDATED CASH FLOW STATEMENT

	2024 £000	2023 £000	
Cash flows from operating activities			
Net cash provided by (used in) operating activities	(660)	(1,068)	
Cash flows from investing activities:			
Dividends, interest and rents from investment	1,182	1,070	
Proceeds from sale of property, plant & equipment	467	219	
Purchase of property, plant & equipment	(370)	(184)	
Proceeds of sale of investments	3,112	8,588	
Purchase of investments	(2,370)	(8,764)	
Net cash provided by (used in) investing activities	1,361	(139)	
Cash flows from financing activities:			
Repayment of borrowing	-	-	
Cash inflows from new borrowing	-	-	
Net cash provided by (used in) financing activities	-	-	
Change in cash and cash equivalents in the reporting period	1,361	(139)	
Cash and cash equivalents at the beginning of the reporting period	13,545	13,684	
Change in cash and cash equivalents due to exchange rate movement	-	-	
Cash and cash equivalents at the end of the reporting period	14,906	13,545	
Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	5,299	(4,414)	
Adjustments for:			
Depreciation charges	12	20	
(Gains)/losses on investments	(4,503)	4,300	
Dividend, interest and rents from investments	(1,182)	(1,070)	
Loss/(Profit) on sale of fixed assets	(370)	(46)	
(increase)/decrease in stocks	-	(4)	
(increase)/decrease in debtors	(10)	11	
increase/(decrease) in creditors	94	135	
Net cash provided by/(used in) operating activities	(660)	(1,068)	
Analysis of change in cash in hand and at bank			
Bank	14,705	13,529	change 1,176
Held by investment fund managers	201	16	185
	14,906	13,545	1,361

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICES

Basis of accounting

Lancaster Roman Catholic Diocesan Trust is a registered charity in the United Kingdom. The address of the charity, the nature of its operations and its principal activities are all detailed in the Trustees' report and Trustees and Advisors pages of these financial statements.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at valuation. The financial statements are prepared in sterling which is the functional currency of the charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Preparation of the accounts on a going concern basis

The trustees have assessed whether the use of the going concern basis is appropriate in the preparation of the financial statements. The period of assessment is one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties that cast doubt on the ability of the charity/group to continue as a going concern. The trustees are of the opinion, based on available financial data, that there will be sufficient incoming resources and assets to meet future liabilities when they fall due taking into account the expected reduction in income with expenditure remaining unchanged during the period of assessment.

A significant area of uncertainty is the value of investments and the income from these which can be drastically affected by economic and other factors beyond the control of the trustees. The trustees are of the opinion that the Charity can withstand a significant fall in the value of these and in investment income receipts, though this is not anticipated.

Basis of consolidation

The consolidated financial statements of the group incorporate the financial statements of the Diocesan Trust, "the charity" which comprise the parishes and central diocesan agencies and subsidiary entities over which the diocese is considered to exert control. Details of the subsidiary entities are given in note 2.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
NOTES TO THE ACCOUNTS

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Judgement and key sources of estimation uncertainty

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

In the opinion of the trustees there have been no significant estimate or judgements made in the process of applying the charity's accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
NOTES TO THE ACCOUNTS

Income recognition

Income is included in the period in which the charity/group becomes entitled to the income, it is probable that it will be received and the amount of income receivable can be measured reliably. Specific policies apply to the categories of income noted below.

Legacies are accounted for on entitlement which is considered to be the earlier of notification from the executor that probate has been granted and confirmed that there are sufficient assets to make a distribution or when a distribution is received.

Collections, including Mass offerings, and other donations are accounted for on a cash received basis as such voluntary donations can only be measured with certainty upon receipt.

Gift Aid donations are accounted for on a cash received basis with any related Gift Aid or Gift Aid Small Donation Scheme tax credits accounted for on an accruals basis.

Revenue grant income is accounted for when received.

Capital grants are recognised as restricted income when received or receipt can be measured reliably and associated costs are charged against these restricted funds.

Investment income is accounted for on an accruals basis.

Income from charitable activities is accounted for on a cash received basis.

Income from fund raising activities is accounted for on a cash received basis.

Rental income from functional properties is accounted for when received under the terms of the lease or hire agreement and when it is probable that it will be received and the amount can be reliably measured.

Trading subsidiary accounts are produced on an accruals basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount can be reliably measured. All expenditure is included in the financial statements on an accruals basis inclusive of irrecoverable VAT.

Expenditure on direct charitable activities mainly comprise: the provision of places of worship and associated buildings e.g. presbyteries; provision of religious services and pastoral care and support; support of education and youth services; training of priests and deacons and the financial support of sick and retired priests.

Support costs include the costs of the Finance and Property Offices, Health & Safety services, Safeguarding Office, the provision of the Pastoral Centre, which houses the administrative offices of the diocese and provide a central meeting venue, and governance costs. Support costs are apportioned to charitable activities based on an estimate of management and employee time spent in support of these activities.

Governance costs are now included under support costs and comprise those costs of the organisation administration and compliance with constitutional and statutory requirements including external audit, legal and other professional services. Governance costs are apportioned to charitable activities based on an estimate of management and employee time spent in support of these activities.

Investments

Investments are initially recognised at their transaction value then subsequently included in the balance sheet at their fair value using the closing quoted market price. Any realised and unrealised gains and losses on revaluation or disposals throughout the year are included in the statement of financial activities.

Tangible fixed assets - other than schools

Functional freehold properties including churches, presbyteries, houses, parish hall/centres and similar buildings are included in the balance sheet at deemed cost. The deemed cost is the discounted insurance value at 1997, which

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have been discounting based on inflation statistics to arrive at original cost. For the purposes of these financial statements and in line with the provisional arrangements of FRS 102 these estimates of depreciated value at 1997 are now the deemed cost.

The charity took advantage of the transitional provisions under FRS 102 to take the value of freehold property as deemed cost on transition at 6 April 2014 but as historical cost is unknown and cost per the accounts refers to an earlier valuation by the charity, the trustees have continued to show brought forward valuation and accumulated depreciation at transition date in the notes to the accounts. Depreciation has not been charged on freehold property following the introduction of FRS 102 as this charge is considered meaningless.

Freehold properties purchased since 1997 are recorded at cost. Properties donated after 1997 are included at valuation.

Depreciation is calculated to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values over the expected useful economic lives of the assets concerned. The principal annual rates and method used for this purpose are as follows:

	Rate	Method
Fixtures, fittings and equipment	25%	reducing balance basis
Motor Vehicles	25%	reducing balance basis

All additions to fixtures, fittings and other fixed assets after 6th April 1995 more than £5,000 are included at purchase cost less accumulated depreciation.

The charity owns a number of works of art, including paintings, manuscripts and sculptures. All parishes own silverware, in daily use for the purposes of the parish, which are on display within the diocese and parishes. Many have been donated, bequeathed or inherited by the diocese or parishes. Such items are not included at any value in the financial statements because it is considered that no meaningful value can be attributed to them.

Tangible fixed assets – schools property

The diocese owns land on which its voluntary aided and academy schools are built. The school buildings are occupied, improved, extended and repaired by the school governors. All voluntary aided schools, which are exempt charities, and academy schools, occupy land and buildings rent free. The nature of occupation of the land and buildings by these exempt charities and academies means that the diocesan trustees do not have the power to dispose of the land or buildings until a school ceases its occupation, which in turn would require the approval of the governing body and the Secretary of State and may involve recovery of grant aid by the DCSF or the obligation to use the proceeds for other educational provision. Consequently such land and buildings are not in direct use by the charity, do not generate any income, cannot be disposed of on the open market and cannot be used for any other purpose during the schools' occupation, which may be indefinite. In view of these restrictions the trustees believe the recoverable amount of these assets is nil and are included at nil valuation in these financial accounts.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Liquid resources comprise amounts held on deposit with recognised banks and building societies and cash on hand at parishes etc.

Provisions

These are recognised when there is a commitment made to the incurring of expenditure.

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Pension costs

The charity operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Fund accounting

The charity/group has various types of funds for which it is responsible, and which require separate disclosure within the financial statements. These are:

Endowment funds

Funds given to the charity or its subsidiaries, subject to the restriction that they are held as capital. Income derived from endowment funds is included in the Statement of Financial Activities and may be restricted to a particular purpose.

Restricted funds

Donations, grants or legacies received which have been given for a specific purpose or purposes as specified by the donor, where such purposes are within the overall aims of the organisation. These funds may represent capital only (where the capital must be retained) or income and capital (where the donation and income deriving from them may be utilised).

General funds

These represent unrestricted funds which are available at the discretion of the Trustee in furtherance of the objectives of the charity and which have not been designated for other purposes.

Designated funds

These are funds included within the general funds that have been set aside and designated by the trustees for specific purposes.

Parish funds

There are included within the general funds. In civil administration a parish is not a distinct legal entity but forms part of the wider diocese, but with a degree of independence and autonomy. Parish funds and assets, unless subject of a separate trust recognised in law, are funds of the Diocesan Trust and therefore the responsibility of the diocesan trustees. In Canon Law a parish is a public juridical person with the parish priest conducting his ministry under the authority of the Bishop. A parish has the right under Canon Law to acquire, retain, administer and alienate temporal goods subject to the norms of Canon Law.

Taxation

The Roman Catholic Diocese of Lancaster is a charity within the meaning of section 1119 Corporation Taxes Act (CTA) 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478 - 489 of the CTA 2010 or section 256 of the Taxation of Chargeable Gains Act 2010, to the extent that such income or gains are applied to exclusively charitable purposes.

The charity's subsidiary and associated undertakings are subject to corporation tax in the same way as any commercial or charitable organisation, as appropriate.

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2 GROUP BODIES

The charity has interests in associated and subsidiary undertakings, which are consolidated in the financial statements, as follows:

Limited companies

St Kentigern's Parish Centre Ltd	Subsidiary	100%	Social club/centre
St Anthony's Parish (Preston) Centre Ltd	Subsidiary	100%	Social club/centre
St Margaret Mary's Parish Community Centre (Carlisle) Ltd	Subsidiary	100%	Social club/centre

All the above companies are incorporated in the United Kingdom.

Trusts and Charities

The charity has consolidated the financial statements of the following associated or subsidiary trusts and charities into these financial statements:

The Moyston Trust
Lancaster Diocesan Pilgrimage Trust
St Cuthbert's Carlisle School Charity
St John's Poulton 1838 Charity

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3.1 ANALYSIS OF INCOME – GROUP
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2024	2023
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,345	-	-	2,345	-	-	-	2,345	2,265
Donations	583	70	-	653	30	175	205	858	714
Legacies	388	-	-	389	1,001	-	1,001	1,389	924
Special collections	417	-	-	417	-	-	-	417	380
Gift Aid	553	-	-	553	1	-	1	554	443
Other	-	-	-	-	-	-	-	-	-
	4,286	70	-	4,356	1,032	175	1,207	5,563	4,726
Charitable activities									
Grants received	4	3	-	7	56	50	106	113	151
Service charges receivable	-	-	-	-	-	-	-	-	-
Sale of candles, votives etc	123	-	-	123	21	-	21	144	135
Youth Service income	-	-	-	-	435	-	435	435	442
Insurance claim receipts	46	-	-	46	-	-	-	46	28
Income from chaplaincy	62	-	-	62	(8)	-	(8)	54	79
Subscriptions and other charges	93	-	-	93	94	46	140	233	180
Inter diocese re-charges	-	-	-	-	-	-	-	-	-
Education Service income	-	-	-	-	-	-	-	-	-
Income for graveyards & funerals	79	-	-	79	-	-	-	79	47
Other	124	-	-	124	248	-	248	372	135
	531	3	-	534	846	96	942	1,476	1,197
Other trading activities									
Social clubs	69	-	-	69	-	-	-	69	318
Fund raising - fetes etc	499	-	-	499	5	-	5	504	104
Rental income	976	-	-	976	271	19	290	1,266	1,301
	1,544	-	-	1,544	276	19	295	1,839	1,723
Investments									
Bank interest received	-	-	-	-	197	-	197	197	121
Dividend income	602	-	17	619	59	307	366	985	949
Rental and leasing income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	602	-	17	619	256	307	563	1,182	1,070
Other									
Gains and losses on sale of fixed assets	98	-	-	98	272	-	272	370	46
Other	-	-	-	-	-	-	-	-	-
	98	-	-	98	272	-	272	370	46
TOTAL GROUP INCOME 2024	7,061	73	17	7,151	2,682	597	3,279	10,430	8,762

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3.1 ANALYSIS OF INCOME – GROUP
PREVIOUS YEAR 5 April 2023

	PARISHES				CENTRAL DIOCESAN AGENCIES			2023	2022
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,265	-	-	2,265	-	-	-	2,265	2,183
Donations	638	34	-	672	11	31	42	714	707
Legacies	870	-	-	870	9	45	54	924	406
Special collections	380	-	-	380	-	-	-	380	290
Gift Aid	438	-	-	438	-	5	5	443	421
Other	-	-	-	-	-	-	-	-	-
	4,591	34	-	4,625	20	81	101	4,726	4,007
Charitable activities									
Grants received	31	5	-	36	115	-	115	151	390
Service charges receivable	-	-	-	-	-	-	-	-	-
Sale of candles, votives etc	116	-	-	116	19	-	19	135	107
Youth Service income	-	-	-	-	442	-	442	442	350
Insurance claim receipts	28	-	-	28	-	-	-	28	45
Income from chaplaincy	69	-	-	69	10	-	10	79	66
Subscriptions and other charges	93	-	-	93	43	44	87	180	172
Inter diocese re-charges	-	-	-	-	-	-	-	-	-
Education Service income	-	-	-	-	-	-	-	-	-
Income for graveyards & funerals	47	-	-	47	-	-	-	47	41
Other	5	-	-	5	130	-	130	135	306
	389	5	-	394	759	44	803	1,197	1,477
Other trading activities									
Social clubs	318	-	-	318	-	-	-	318	37
Fund raising - fetes etc	104	-	-	104	-	-	-	104	230
Rental income	1,011	-	-	1,011	273	17	290	1,301	978
	1,433	-	-	1,433	273	17	290	1,723	1,245
Investments									
Bank interest received	-	-	-	-	121	-	121	121	-
Dividend income	581	-	16	597	59	293	352	949	899
Rental and leasing income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	581	-	16	597	180	293	473	1,070	899
Other									
Gains and losses on sale of fixed assets	46	-	-	46	-	-	-	46	537
Other	-	-	-	-	-	-	-	-	-
	46	-	-	46	-	-	-	46	537
TOTAL GROUP INCOME 2023	7,040	39	16	7,095	1,232	435	1,667	8,762	8,165

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3.2 ANALYSIS OF INCOME – CHARITY
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2024	2023
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,345	-	-	2,345	-	-	-	2,345	2,265
Donations	582	70	-	652	25	176	201	853	711
Legacies	387	-	-	387	1,000	-	1,000	1,387	924
Special collections	419	-	-	419	-	-	-	419	380
Gift Aid	552	-	-	552	1	-	1	553	443
Other	-	-	-	-	-	-	-	-	-
	4,285	70	-	4,355	1,026	176	1,202	5,557	4,723
Charitable activities									
Grants received	4	3	-	7	56	50	106	113	148
Service charges receivable	-	-	-	-	-	-	-	-	-
Sale of candles, votives etc	123	-	-	123	21	-	21	144	135
Youth Service income	-	-	-	-	435	-	435	435	442
Insurance claim receipts	46	-	-	46	-	-	-	46	28
Income from chaplaincy	62	-	-	62	(8)	-	(8)	54	79
Subscriptions and other charges	93	-	-	93	94	46	140	233	180
Inter diocese re-charges	-	-	-	-	-	-	-	-	-
Education Service income	-	-	-	-	-	-	-	-	-
Income for graveyards & funerals	79	-	-	79	-	-	-	79	47
Other	124	-	-	124	248	-	248	372	135
	531	3	-	534	846	96	942	1,476	1,194
Other trading activities									
Social clubs	69	-	-	69	-	-	-	69	84
Fund raising - fetes etc	120	-	-	120	5	-	5	125	104
Rental income	976	-	-	976	253	19	272	1,248	1,284
	1,165	-	-	1,165	258	19	277	1,442	1,472
Investments									
Bank interest received	-	-	-	-	196	-	196	196	121
Dividend income	602	-	17	619	2	306	308	927	891
Rental and leasing income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	602	-	17	619	198	306	504	1,123	1,012
Other									
Gains and losses on sale of fixed assets	98	-	-	98	272	-	272	370	46
	98	-	-	98	272	-	272	370	46
TOTAL CHARITY INCOME 2024	6,681	73	17	6,771	2,600	597	3,197	9,968	8,447

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3.2 ANALYSIS OF INCOME – CHARITY
PREVIOUS YEAR 5 April 2023

	PARISHES				CENTRAL DIOCESAN AGENCIES			2023	2022
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,265	-	-	2,265	-	-	-	2,265	2,184
Donations	638	33	-	671	8	32	40	711	705
Legacies	870	-	-	870	9	45	54	924	405
Special collections	380	-	-	380	-	-	-	380	290
Gift Aid	439	-	-	439	-	4	4	443	421
Other	-	-	-	-	-	-	-	-	-
	4,592	33	-	4,625	17	81	98	4,723	4,005
Charitable activities									
Grants received	28	5	-	33	115	-	115	148	317
Service charges receivable	-	-	-	-	-	-	-	-	59
Sale of candles, votives etc	116	-	-	116	19	-	19	135	107
Youth Service income	-	-	-	-	442	-	442	442	350
Insurance claim receipts	28	-	-	28	-	-	-	28	45
Income from chaplaincy	69	-	-	69	10	-	10	79	65
Subscriptions and other charges	93	-	-	93	43	44	87	180	112
Inter diocese re-charges	-	-	-	-	-	-	-	-	2
Education Service income	-	-	-	-	-	-	-	-	-
Income for graveyards & funerals	47	-	-	47	-	-	-	47	41
Other	5	-	-	5	130	-	130	135	305
	386	5	-	391	759	44	803	1,194	1,403
Other trading activities									
Social clubs	84	-	-	84	-	-	-	84	37
Fund raising - fetes etc	104	-	-	104	-	-	-	104	62
Rental income	1,010	-	-	1,010	257	17	274	1,284	978
	1,198	-	-	1,198	257	17	274	1,472	1,077
Investments									
Bank interest received	-	-	-	-	121	-	121	121	-
Dividend income	581	-	16	597	1	293	294	891	828
Rental and leasing income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	581	-	16	597	122	293	415	1,012	828
Other									
Gains and losses on sale of fixed assets	46	-	-	46	-	-	-	46	537
	46	-	-	46	-	-	-	46	-
TOTAL CHARITY INCOME 2023	6,803	38	16	6,857	1,155	435	1,590	8,447	7,850

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4.1 ANALYSIS OF EXPENDITURE – GROUP
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2024	2023
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Expenditure on raising funds:									
Parish fund raising events' costs	38	-	-	38	7	-	-	45	49
Other fund raising events' costs	-	-	-	-	-	-	-	-	4
Social club bar purchases	169	-	-	169	-	-	-	169	99
Social club other costs	194	-	-	194	-	-	-	194	144
Investment management costs	51	-	-	51	16	27	43	94	84
Rental property management costs	8	-	-	8	74	-	74	82	81
Other	-	-	-	-	-	-	-	-	-
	460	-	-	460	97	27	124	584	461
Expenditure on charitable activities									
Provision of places of worship & ancillary buildings	4,018	20	-	4,038	204	6	210	4,248	3,958
Provision of religious services & pastoral care	1,867	18	-	1,885	466	5	471	2,356	2,464
Support of education & youth services	-	-	-	-	1,140	102	1,242	1,242	769
Training of priests, deacons & seminarians	-	-	-	-	5	130	135	135	161
Support of retired priests	-	-	-	-	7	302	309	309	364
Grants, donations & levies	600	44	-	644	27	-	27	671	687
Other charitable activity costs	37	1	-	38	43	-	43	81	6
	6,522	83	-	6,605	1,892	545	2,437	9,042	8,409
Other									
	8	-	-	8	-	-	-	8	6
TOTAL GROUP EXPENDITURE 2024	6,990	83	-	7,073	1,989	572	2,561	9,634	8,876

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4.1 ANALYSIS OF EXPENDITURE – GROUP

PREVIOUS YEAR 5 April 2023

	PARISHES				CENTRAL DIOCESAN AGENCIES			2023	2022
	Unrestricted	Restricted	Endowments	Total	Unrestricted	Restricted	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Expenditure on raising funds:</i>									
Parish fund raising events' costs	49	-	-	49	-	-	-	49	28
Other fund raising events' costs	-	-	-	-	4	-	4	4	40
Social club bar purchases	99	-	-	99	-	-	-	99	60
Social club other costs	144	-	-	144	-	-	-	144	145
Investment management costs	52	-	-	52	17	15	32	84	106
Rental property management costs	7	-	-	7	74	-	74	81	22
Other	-	-	-	-	-	-	-	-	-
	351	-	-	351	95	15	110	461	401
<i>Expenditure on charitable activities</i>									
Provision of places of worship & ancillary buildings	3,515	136	-	3,651	307	-	307	3,958	2,833
Provision of religious services & pastoral care	1,836	19	-	1,855	606	3	609	2,464	1,998
Support of education & youth services	-	-	-	-	763	6	769	769	854
Training of priests, deacons & seminarians	-	-	-	-	5	156	161	161	148
Support of retired priests	-	-	-	-	11	353	364	364	245
Grants, donations & levies	552	16	-	568	117	2	119	687	1,050
Other charitable activity costs	-	-	-	-	6	-	6	6	162
	5,903	171	-	6,074	1,815	520	2,335	8,409	7,290
<i>Other</i>									
	6	-	-	6	-	-	-	6	6
TOTAL GROUP EXPENDITURE 2023	6,260	171	-	6,431	1,910	535	2,445	8,876	7,697

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4.2 ANALYSIS OF EXPENDITURE -
CHARITY
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2024	2023
	Unrestricted	Restricted	Endowments	Total	Unrestricted	Restricted	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure on raising funds:									
Parish fund raising events' costs	38	-	-	38	-	-	-	38	52
Other fund raising events' costs	-	-	-	-	-	-	-	-	-
Social club bar purchases	-	-	-	-	-	-	-	-	-
Social club other costs	-	-	-	-	-	-	-	-	-
Investment management costs	51	-	-	51	-	27	27	78	66
Rental property management costs	-	-	-	-	81	-	81	81	75
	89	-	-	89	81	27	108	197	193
Expenditure on charitable activities									
Provision of places of worship & ancillary buildings	4,017	20	-	4,037	204	6	210	4,247	3,960
Provision of religious services & pastoral care	1,867	18	-	1,885	447	5	452	2,337	2,448
Support of education & youth services	-	-	-	-	1,140	102	1,242	1,242	768
Training of priests, deacons & seminarians	-	-	-	-	5	130	135	135	160
Support of retired priests	-	-	-	-	8	302	310	310	364
Grants, donations & levies	601	44	-	645	27	-	27	672	685
Other charitable activities	37	1	-	38	33	-	33	71	-
	6,522	83	-	6,605	1,864	545	2,409	9,014	8,385
TOTAL CHARITY EXPENDITURE 2024	6,611	83	-	6,694	1,945	572	2,517	9,211	8,578

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4.2 ANALYSIS OF EXPENDITURE – CHARITY PREVIOUS
YEAR 5 April 2023

	PARISHES				CENTRAL DIOCESAN AGENCIES			2023	2022
	Unrestricted	Restricted	Endowments	Total	Unrestricted	Restricted	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure on raising funds:									
<i>Parish events fund raising costs</i>	49	-	-	49	3	-	3	52	28
<i>Other events fund raising costs</i>	-	-	-	-	-	-	-	-	-
<i>Social club bar purchases</i>	-	-	-	-	-	-	-	-	-
<i>Social club other costs</i>	-	-	-	-	-	-	-	-	-
<i>Investment management costs</i>	51	-	-	51	-	15	15	66	86
<i>Rental property management costs</i>	-	-	-	-	75	-	75	75	38
	100	-	-	100	78	15	93	193	152
Expenditure on charitable activities									
<i>Provision of places of worship & ancillary buildings</i>	3,516	136	-	3,652	308	-	308	3,960	2,762
<i>Provision of religious service & pastoral care</i>	1,836	19	-	1,855	589	4	593	2,448	1,726
<i>Support of education & youth services</i>	-	-	-	-	762	6	768	768	5,364
<i>Training of priests, deacons & seminarians</i>	-	-	-	-	4	156	160	160	111
<i>Support of retired priests</i>	-	-	-	-	11	353	364	364	245
<i>Grants, donations & levies</i>	552	15	-	567	117	1	118	685	1,050
<i>Other charitable activities</i>	-	-	-	-	-	-	-	-	160
	5,904	170	-	6,074	1,791	520	2,311	8,385	11,418
TOTAL CHARITY EXPENDITURE 2023	6,004	170	-	6,174	1,869	535	2,404	8,578	11,570

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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5 EMPLOYEES AND OFFICE HOLDERS (including key management personnel)

The number of employees, which excludes clergy and volunteers, during the year was: -

	2024	2023
Central diocesan: administration and support services	13	12
Education Service	4	4
Youth Service including Castlerigg	11	11
Parochial	61	65
Clubs & centres	18	18
	107	110
The aggregate remuneration paid to employees was: -	£000	£000
Wages and salaries (re-stated 2023)	1,305	1,101
Social security costs	66	48
Pension costs	60	41
	1,431	1,190
Amounts paid to clergy during the year: - for active ministry	469	444
retirement gratuities	220	254
	689	698

The number of employees who earned more than £60,000 (including benefits but excluding employer's national insurance and pension contributions) during the year was as follows: -

	2024	2023
£60,001 - £70,000	1	1
£80,001 - £90,000	1	-
	2	1

Employees include administrative staff at both Diocese and Parishes, together with associated and related entities. Clergy are self-employed office holders and not employees.

Key personnel

The trustees consider the board of trustees as the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give their time freely, and no trustee receives any remuneration in respect of the work undertaken in the role of trustee. There are members of the board of trustees who are also clergy of the Diocese of Lancaster, and as with other members of the clergy receive a remuneration for the work they undertake in their clerical role only. These trustees are identified in the list of trustees on page 3 " Trustees and Advisors".

Details of trustees' expenses and related party transactions are disclosed in the notes the accounts. Trustees are required to disclose all relevant interests and register them with the diocesan secretary and in accordance with the trustees' policy withdraw from decisions where a conflict of interest may arise.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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6 TRUSTEES

No trustee received any remuneration during the year or previous year. Certain trustees received allowances as serving clergy but not in their capacity as trustee.

During the year 4 trustees (2023: 4) received expenses to the value of £3,021 (2023: £2,729) in respect of travel and subsistence costs in respect of their position as a trustee.

Trustees who are also serving clergy may receive expenses in connection with their clerical role. Any such expenses have not been quantified and are not included above.

7 NET EXPENDITURE

	2024 £000	2023 £000
This is stated after charging: -		
Depreciation	<u>12</u>	<u>20</u>
Audit	<u>39</u>	<u>33</u>

8 ALLOCATED SUPPORT COSTS

	Finance Office	Gift Aid & Special Collections	Pastoral Centre	Property Office	H&S	Governance	Group Total
	£000	£000	£000	£000	£000	£000	£000
Raising Funds	2	2	-	-	-	3	7
Charitable Activities:							
Provision of places of worship	43	10	19	52	35	41	200
Provision of religious services & pastoral care	9	7	6	24	7	15	68
Support of education & youth services	5	5	9	5	2	5	31
Training of priests, deacons & seminarians	1	-	-	-	-	3	4
Support of sick & retired priests	1	2	2	1	-	2	8
Grants, donations & Levies	3	4	-	3	-	4	14
Other charitable activity costs	7	-	-	-	-	-	7
	<u>71</u>	<u>30</u>	<u>36</u>	<u>85</u>	<u>44</u>	<u>73</u>	<u>339</u>

Basis of allocation

Governance and support costs are allocated on estimates of staff and trustees time spent on each charitable or other activity.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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NOTES TO THE ACCOUNTS

9 TANGIBLE FIXED ASSETS

9.1 GROUP

	PARISHES				CENTRAL DIOCESAN AGENCIES				2024	2023
	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total		
	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £
Cost or valuation										
At the beginning of the year	36,994	42	1,089	38,125	6,874	21	136	7,031	45,156	45,156
Additions	-	-	3	3	367	-	-	367	370	184
Disposals	(121)	-	-	(121)	-	-	(4)	(4)	(125)	(184)
At end of the year	36,873	42	1,092	38,007	7,241	21	132	7,394	45,401	45,156
Depreciation and impairments										
At beginning of the year	6,144	28	1,041	7,213	1,161	21	131	1,313	8,526	8,517
Eliminated on disposals	-	-	-	-	(24)	-	(4)	(28)	(28)	(11)
Depreciation	-	1	8	9	-	-	3	3	12	20
Impairment	-	-	-	-	-	-	-	-	-	-
At end of the year	6,144	29	1,049	7,222	1,137	21	130	1,288	8,510	8,526
Net book value										
Net book value at the beginning of the year	30,850	14	48	30,912	5,713	-	5	5,718	36,630	36,639
Net book value at the end of the year	30,729	13	43	30,785	6,104	-	2	6,106	36,891	36,630

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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NOTES TO THE ACCOUNTS

9 TANGIBLE FIXED ASSETS

9.2 CHARITY

	PARISHES				CENTRAL DIOCESAN AGENCIES				2024	2023
	Freehold land & buildings	Motor Vehicles	Fixtures, fittings and equipment	Total	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total		
	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £
Cost or valuation										
At the beginning of the year	36,792	42	965	37,799	6,873	21	138	7,032	44,831	44,868
Additions		-	-		367	-	-	367	367	146
Disposals		-	-		(121)	-	(4)	(125)	(125)	(183)
At end of the year	36,792	42	965	37,799	7,119	21	134	7,274	45,073	44,831
Depreciation and impairments										
At beginning of the year	6,144	37	964	7,145	1,161	14	130	1,305	8,450	8,448
Eliminated on disposals		-	-		(24)	-	(4)	(28)	(28)	(12)
Depreciation	-	-	1	1	-	2	2	4	5	14
Impairment	-	-	-	-	-	-	-	-	-	-
At end of the year	6,144	37	965	7,146	1,137	16	128	1,281	8,427	8,450
Net book value										
Net book value at the beginning of the year	30,648	5	1	30,654	5,712	7	8	5,727	36,381	36,420
Net book value at the end of the year	30,648	5	0	30,653	5,982	5	6	5,993	36,646	36,381

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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10 INVESTMENTS

	Market value at start of year	Costs of investments purchased	Proceeds of sale of investments	CIMV	Market value at end of year
	£000	£000	£000	£000	£000
CHARITY					
Equities & unit trusts	25,490	2,338	(3,113)	4,497	29,212
Fixed interest	5,096	34	-	11	5,141
	<u>30,586</u>	<u>2,372</u>	<u>(3,113)</u>	<u>4,508</u>	<u>34,353</u>
Less					
Held for subsidiary entities	1,955	-	(350)	240	1,845
Held for third parties	20	2	(2)	3	23
	<u>1,975</u>	<u>2</u>	<u>(352)</u>	<u>243</u>	<u>1,868</u>
	28,611	2,370	2,761	4,265	32,485
Cash	<u>16</u>				<u>199</u>
	<u>28,627</u>			<u>4,265</u>	<u>32,684</u>
GROUP					
Equities & unit trusts	25,534	2,338	(3,114)	4,495	29,253
Fixed interest	5,096	34	-	11	5,141
	<u>30,630</u>	<u>2,372</u>	<u>(3,114)</u>	<u>4,506</u>	<u>34,394</u>
Less:					
Third party	20	2	(2)	3	23
	<u>30,610</u>	<u>2,370</u>	<u>(3,112)</u>	<u>4,503</u>	<u>34,371</u>
Cash	<u>16</u>				<u>201</u>
	<u>30,626</u>			<u>4,503</u>	<u>34,572</u>

The Diocesan Trust operates a pooled investment fund where investors hold units and do not invest directly in discrete holdings.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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NOTES TO THE ACCOUNTS

11 DEBTORS & PREPAYMENTS

	GROUP		CHARITY	
	2024 £000	2023 £000 (restated)	2024 £000	2023 £000
Gift Aid and Gift Aid Small Donation Scheme recoverable	395	375	395	375
Sundry debtors	88	142	95	166
Prepayments and accrued income	214	170	213	170
Loans to clergy	2	2	2	2
	699	689	705	713

An amount of £55,473 included in sundry debtors is being repaid by an annual instalment of £18,491 each and therefore full repayment will be made within 3 years. Note that no payment was received during the year ended 5 April 2024. All other debtors are receivable within one year.

12 CREDITORS & ACCRUALS

Amounts falling due within one year

Trade creditors	24	15	11	3
Accruals and deferred income	59	75	59	74
Taxation and social security	-	-	-	-
Other creditors	2,018	1,903	2,601	2,116
	2,101	1,993	2,671	2,193

Amounts falling due after more than one year

Other creditors	47	61	-	-
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Restatement of group debtors and group creditors for 2023

Group debtors and group creditors, amounts falling due within one year, have been restated for 2023 as both sundry debtors and sundry creditors were each overstated by £264k as inter-company balances had not been eliminated on consolidation. This has no impact on net assets or net surplus/deficit reported for 2023 which remain unchanged.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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13.1 RESTRICTED FUNDS – current year

	Opening balance 2023	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2024
Charity: Diocesan Central Agencies	£000	£000	£000	£000	£000	£000
Ecclesiastical Education Fund	4,860	160	(151)	(32)	581	5,418
Poor Missions Fund	1,915	56	(4)	(112)	230	2,085
Sick and Retired Priests Fund	5,002	198	(313)	100	455	5,442
Funds for Overseas Missions	9	-	-	-	-	9
Kirkham Church of St John and RC Purposes	295	9	-	(8)	42	338
Catforth, Thurnham & Westby Schools	86	2	-	(1)	9	96
St Ignatius Legacy	21	-	-	-	-	21
Diocesan Catholic Caring Fund	134	-	-	-	-	134
Good Shepherd Fund	63	8	-	-	-	71
Academy Support Grant	18	-	-	(18)	-	-
Newman School Rebuilding Fund	144	139	(102)	(181)	-	-
Legacy (M Lawton)	41	-	-	-	-	41
Diocesan Schools Singing Program	25	-	-	-	-	25
Mary Strand Trust	25	-	-	-	-	25
The Moyston Fund	-	-	(2)	-	-	(2)
Sundry Funds (restated)	44	25	-	-	-	69
Total of diocesan agencies restricted fund	12,682	597	(572)	(252)	1,317	13,772

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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13.1 RESTRICTED FUNDS (continued) – current year

	Opening balance 2023 £000	Income £000	Expenditure £000	Transfers £000	Unrealised gains on investments £000	Closing balance 2024 £000
Charity: Parishes						
St John Vianney & St Monica, legacy	36	-	-	-	-	36
Our Lady of Eden, Carlisle, Reverend Turner legacy	18	-	-	-	-	18
Our Lady of Perpetual Help, Carlisle Restoration Fund	16	-	-	-	-	16
St Mary, Fleetwood, legacy	193	-	-	-	-	193
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund	33	30	(33)	-	-	30
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth	16	25	(21)	-	-	20
Refugee support projects (various parishes)	44	3	(12)	-	-	35
Workington Stella Maris Project	10	15	(12)	-	-	13
St Thomas, Clayton, legacy	10	-	-	-	-	10
St Mary & St James, Scorton, legacy	10	-	-	-	-	10
St Mary, Hornby, Lottery Community Grant	5	-	(5)	-	-	-
Total of parish restricted funds	391	73	(83)	-	-	381
CHARITY total: all restricted funds 2024	13,073	670	(655)	(252)	1,317	14,153
GROUP total 2024: all restricted funds	13,073	670	(655)	(252)	1,317	14,153

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS – previous year 5 April 2023

	<i>Opening balance 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Unrealised gains on investments</i>	Closing balance 2023
	£000	£000	£000	£000	£000	£000
<i>Charity: Diocesan Central Agencies</i>						
Ecclesiastical Education Fund	5,456	137	(171)	(44)	(518)	4,860
Poor Missions Fund	2,125	50	(4)	(51)	(205)	1,915
Sick and Retired Priests Fund	5,606	232	(353)	100	(583)	5,002
Funds for Overseas Missions	9	-	-	-	-	9
Kirkham Church of St John and RC Purposes	332	8	-	(8)	(37)	295
Catforth, Thurnham & Westby Schools	93	2	-	(1)	(8)	86
St Ignatius Legacy	21	-	-	-	-	21
Diocesan Catholic Caring Fund	134	-	-	-	-	134
Good Shepherd Fund	57	6	-	-	-	63
Academy Support Grant	18	-	-	-	-	18
Newman School (Carlisle) Chapel Fund	6	-	(6)	-	-	0
Newman School Rebuilding Fund	60	-	-	84	-	144
Legacy (M Lawton)	41	-	-	-	-	41
Diocesan Schools Singing Program	25	-	-	-	-	25
Mary Strand Trust	25	-	-	-	-	25
Sundry Funds (restated)	45	-	(1)	-	-	44
Total of diocesan agencies restricted fund	14,053	435	(535)	80	(1,351)	12,682

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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13.1 RESTRICTED FUNDS – previous year 5 April 2023

	<i>Opening balance 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Unrealised gains on investments</i>	Closing balance 2023
St John Vianney & St Monica, Legacy	36	-	-	-	-	36
Our Lady of Eden, Carlisle, Reverend Turner legacy	18	-	-	-	-	18
Our Lady of Perpetual Help, Carlisle Restoration Fund	16	1	(1)	-	-	16
St Mary, Fleetwood, legacy	193	-	-	-	-	193
St Mary, Fleetwood, Local Authority grant	7	-	-	(7)	-	-
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund	34	-	(1)	-	-	33
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth	19	23	(26)	-	-	16
Refugee support projects (various parishes)	56	1	(13)	-	-	44
Workington Stella Maris Project	122	13	(125)	-	-	10
Workington, Legacy	20	-	-	(20)	-	-
St Thomas, Clayton, legacy	10	-	-	-	-	10
St Mary & St James, Scorton, Legacy	10	-	-	-	-	10
St Mary, Hornby, Lottery Community Grant	9	-	(4)	-	-	5
 Total of parish restricted funds	 550	 38	 (170)	 (27)	 -	 391
 CHARITY total: all restricted funds 2023	 14,603	 473	 (705)	 53	 (1,351)	 13,073
 GROUP total: all restricted funds 2023	 14,603	 473	 (705)	 53	 (1,351)	 13,073

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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Purpose of restricted funds	
Diocesan Central Agencies	
Ecclesiastical Education Fund	Training of priests and deacons of the diocese.
Poor Missions Fund	Support of poor parishes of the diocese.
Sick and Retired Priests Fund	Financial and medical care of sick and retired clergy of the diocese.
Funds for Overseas Missions	Support for overseas missions at the discretion of the Bishop.
Kirkham Church of St John and RC Purposes	The provision and maintenance of resources and facilities for the people of Kirkham for the pursuit of the Roman Catholic religion, through the church of St John The Evangelist, Kirkham.
Catforth, Thurnham & Westby	The provision and maintenance of resources and facilities for the people of Catforth, Thurnham and Westby for the pursuit of the Roman Catholic religion in these areas and educational purposes.
St Ignatius Legacy Fund	Legacies received and previously held as general parish funds which were given for the upkeep of the parish property now in the Canonical ownership of the Diocese.
Diocesan Catholic Caring Fund	To provide support for diocesan sponsored caring activities.
Good Shepherd	To assist diocesan projects that aim to support the poor and disadvantaged, particularly the young and those with special needs.
Academy Support Grant	To assist with costs of setting up school academy trusts. To meet costs of the construction and fittings etc of a new chapel at Newman School, Carlisle.
Newman School Rebuilding Fund	To assist with new site, contribution towards construction costs of a new school and any other costs associated with the project and to assist the governors with certain costs associated with operating from a temporary site.
Legacy (M Lawton)	To be applied towards the purposes of education in the Diocese of lay adults and children.
Diocesan Schools Singing Program	To be used to support sing in schools
Mary Strand Trust	To bring relief to those experiencing poverty arising from unemployment, sickness, disability or other misfortunes that life throws
The Moyston Fund	To meet similar aim as the Moyston Trust, which is to be merged with the Diocesan Trust, namely to provide for the Roman Catholic education of children and to support the Roman Catholic religion within the geographical boundaries of the Diocese of Lancaster.
Sundry	For the purposes of those funds.
Parishes	
St John Vianney & St Monica, Legacy	For the parish building fund.
Our Lady of Eden, Carlisle, Reverend Turner legacy	For the refurbishment/rebuilding of the St Ninian's Chapel, Brampton, Carlisle.
St Mary, Fleetwood, Legacy	For the saying of Masses for the nominated family members (name not published for privacy)
Our Lady & St Wilfrid, Warwick Bridge, Carlisle, Restoration Fund	For the restoration of the church of Our Lady & St Wilfrid, Warwick Bridge, Carlisle.
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund	For the poor & needy parishioners of the parish of St Wulstan & St Edmund's, Fleetwood, Lancs.
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth	Grant received to help towards cost of external repairs to the church.
Christ the King, Workington, Stella Maris	To fund repairs works to the church of Our Lady and St Michael, Workington
Refugee support projects (various parishes)	To support Syrian refugee families.
St Thomas, Clayton, legacy	Maintenance and upkeep of the church.
St Mary & St James, Scorton, Legacy	Maintenance and upkeep of the church.
St Mary, Hornby, Lottery Community Grant	Maintenance of church grounds.

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13.2 PERMANENT ENDOWED FUNDS

	Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
	£000	£000	£000	£000	£000	£000
CHARITY - Lancaster Capital Common Investment Fund	567	17	-	(17)	84	651
GROUP - Lancaster Capital Common Investment Fund	567	17	-	(17)	84	651

[Previous year](#)

Charity - Lancaster Capital Common Investment Fund

Group- Lancaster Capital Common Investment Fund

644	16	-	(16)	(77)	567
644	16	-	(16)	(77)	567

The Lancaster Capital Common Investment Fund represents the endowment fund held by the Charity.

As a direct result of the further scheme of the Charity Commission dated 2 May 2000 (applied on this date but sealed 6 November 2000), as mentioned earlier in the Trustees' Report – Investment Powers, the trustees have transferred a portion of general reserves and reclassified these as an endowment fund "Lancaster Capital Common Investment Fund".

13.3 PARISH GENERAL FUNDS (including designated funds)

	Opening balance	Income	Expenditure	Transfers	Unrealised gains/losses on investments	Closing balance
	£000	£000	£000	£000	£000	£000
CHARITY	62,748	6,681	(6,611)	(684)	2,858	64,992
GROUP	62,898	7,061	(6,990)	(684)	2,857	65,142

[Previous year 5 April 2023](#)

Charity

Group

65,230	6,803	(6,004)	(687)	(2,594)	62,748
65,399	7,040	(6,260)	(688)	(2,593)	62,898

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13.4 DIOCESAN GENERAL FUNDS (including designated funds)

5

CHARITY
GROUP

Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
£000	£000	£000	£000	£000	£000
630	2,600	(1,945)	953	6	2,244
2,899	2,682	(1,989)	953	245	4,790

Previous year 5 April 2023

Charity

Group

699	1,155	(1,869)	650	(5)	630
3,205	1,232	(1,910)	651	(279)	2,899

13.5 DESIGNATED FUND (included in general funds)

CHARITY: Diocesan central agencies

Evangelisation
Newbridge House
Vocations
Special collections

Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
£000	£000	£000	£000	£000	£000
232	7	(42)	(3)	-	194
96	-	-	-	-	96
21	-	-	-	-	21
49	-	-	-	-	49
398	7	(42)	(3)	-	360
	-	-	-	-	
398	7	(42)	-	-	360
398	7	(42)	-	-	360

Parishes none

CHARITY total

GROUP total

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Previous year 5 April 2023

Charity: Diocesan central agencies

	£000	£000	£000	£000	£000	£000
<i>Evangelisation</i>	292	8	(68)	-	-	232
<i>Newbridge House</i>	96	-	-	-	-	96
<i>Vocations</i>	21	-	-	-	-	21
<i>Special collections</i>	49	-	-	-	-	49
	458	8	(68)	-	-	398
Parishes none	-	-	-	-	-	
Charity total 2023	458	8	(68)	-	-	398
Group total 2023	458	8	(68)	-	-	398

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
NOTES TO THE ACCOUNTS

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

14.1 GROUP

	PARISHES GROUP BALANCES				CENTRAL DIOCESAN AGENCIES GROUP BALANCES			2024	2023 re-stated
	Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000	£000	£000
Fixed assets	30,898	-	-	30,898	4,872	1,121	5,993	36,891	36,630
Investments	21,803	-	651	22,454	1,935	10,183	12,118	34,572	30,626
Stock	11	-	-	11	6	-	6	17	17
Debtors	626	-	-	626	73	-	73	699	689
Cash at bank and in hand	8,937	381	-	9,318	3,361	2,026	5,387	14,705	13,529
Creditors: amounts falling due within one year	(752)	-	-	(752)	(982)	(367)	(1,349)	(2,101)	(1,993)
Creditors: amounts falling due after more than one year	(47)	-	-	(47)	-	-	-	(47)	(61)
Internal balances:									
Loans	(1,867)	-	-	(1,867)	1,867	-	1,867	-	-
Diocesan bonds	5,533	-	-	5,533	(6,342)	809	(5,533)	-	-
NET ASSETS	65,142	381	651	66,174	4,790	13,772	18,562	84,736	79,437

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
NOTES TO THE ACCOUNTS

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

14.2 CHARITY

	PARISHES				CENTRAL DIOCESAN AGENCIES			2024	2023
	Unrestricted Funds	Restricted Funds	Endowment	Total	Unrestricted Funds	Restricted Funds	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Fixed Assets	30,652	-	-	30,652	4,873	1,121	5,994	36,646	36,381
Investments	21,803	-	651	22,454	47	10,183	10,230	32,684	28,627
Stock	-	-	-	-	6	-	6	6	5
Debtors	632	-	-	632	73	-	73	705	713
Cash at bank and in hand	8,913	381	-	9,294	3,350	2,026	5,376	14,670	13,485
Creditors: amounts falling due within one year	(674)	-	-	(674)	(1,630)	(367)	(1,997)	(2,671)	(2,193)
Creditors: amounts falling due after more than one year	-	-	-	-	-	-	-	-	-
Internal balances:									
Loans	(1,867)	-	-	(1,867)	1,867	-	1,867	-	-
Diocesan bonds	5,533	-	-	5,533	(6,342)	809	(5,533)	-	-
NET ASSETS	64,992	381	651	66,024	2,244	13,772	16,016	82,040	77,018

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2024
NOTES TO THE ACCOUNTS

15 CONTINGENT LIABILITIES

In the opinion of the trustees there were no contingent liabilities in existence, other than in the normal course of the activities of the charity, as at 5th April 2024 or at 5th April 2023.

16 RELATED PARTY TRANSACTIONS

Due to the nature of the charity's operations and the composition of the trustee body, it is inevitable that transactions may take place with organisations in which a member of the trustees may have an interest. Such transactions involving organisations in which a member of the trustee body may have an interest are conducted at arm's length.

Following his appointment as Bishop of Lancaster in April 2018, Right Reverend P Swarbrick holds positions on non-diocesan bodies, including Ushaw College.

The diocese is a shareholder in Inter-Diocesan Fuel Management Limited (IFM), a company set up in conjunction with other dioceses in order to obtain competitively priced energy for diocesan properties. Most fuel payments are made through the IFM bulk buying scheme.

At 5th April 2024 an amount of £55,473 (2023: £55,473) was owing to the diocese from IFM in respect of overpaid contributions, disclosed under other debtors and an amount of £533,050 (2023: £189,144) was owed to IFM from individual parishes and other bodies in respect of energy costs, disclosed under other creditors.

The Blessed Edward Bamber Catholic Multi Academy Trust (BEBCMAT), the Mater Christi Multi Academy Trust (Mater Christi) and the Mater Ecclesiae Multi Academy Trust (Mater Ecclesiae) are each considered as related parties as both the Roman Catholic Bishop of Lancaster and the Lancaster Roman Catholic Diocesan Trustees Registered are members of BEBCMAT and Mater Christi.

During the year the Diocesan Education Service received the following amounts from the:

	<u>2024</u>	<u>2023</u>
	£	£
<u>BEBCMAT</u>		
Inspection fees	3,200	-
Training & conference fees	3,250	1,525
Academy support services	38,640	25,661
Academy Conversion charge	4,000	10,000
<u>Mater Christi</u>		
Inspection fees	4,900	1,000
Training & conference fees	8,195	3,290
Academy support services	46,335	32,340
Academy Conversion charge	-	10,000
<u>Mater Ecclesiae</u>		
Inspection fees	2,800	-
Training & conference fees	2,680	490
Academy support services	24,995	7,392
Academy Conversion charge	16,000	-

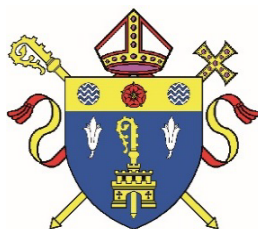
17 HERITAGE ASSETS

The diocese, via its parishes, holds work of art, historic treasures, plate and similar items which are not capitalised in these accounts. In the opinion of the trustees these are considered to be historical assets which are integral to the charity's overall objectives of advancing the Roman Catholic religion and do not fall under the definition of heritage assets.

Accounts

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED
5 APRIL 2023**



Registered charity number 0234331

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023

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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023

TRUSTEES AND ADVISORS

The Charity is governed by a Trust Deed dated 31 July 1934 (as subsequently amended by schemes of the Charity Commission) and is registered by the Charity Commission of England and Wales as charity number 0234331. The Diocese was created by the Holy See in 1924, the northern area formerly having been within the Diocese of Hexham and Newcastle and the southern area having been within the Archdiocese of Liverpool.

Address

Lancaster Roman Catholic Diocesan Trust
The Pastoral Centre
Balmoral Road
Lancaster
LA1 3BT

Trustee

The sole trustee is the Lancaster Roman Catholic Diocesan Trustees Registered a body incorporated under the Charitable Trustees Incorporation Act 1872 (now Part 12 of the Charities Act 2011).

The individuals appointed to the corporate trustee body and known as trustees are:

Who served during the year

Right Rev Bishop P Swarbrick
Rev M Docherty
Rev Canon P Embery
Rev Canon P Hart
Sister R Thomas
Mr P Briers
Mr M Callagher
Mr M Forrest (resigned September 2023)
Mrs L Forster (resigned December 2022)
Mrs S Greenwood
Ms N Wisdom
Mr A Woowat

Financial Administrator

Reverend Canon P Hart

Secretary

Ms K Heaton-Brown

Auditors

MHA Moore & Smalley
Richard House
9 Winckley Square
Preston
PR1 3HP

Solicitors

FMGS Law Limited
1 Middle Street
Lancaster
LA1 1JZ
(appointed September 2023)

Investment managers

Quilter Cheviot
One Kingsway
London
WC2B 6AN

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023

REPORT OF THE TRUSTEES

Aims and objectives

The principal purpose of the charity is the furtherance of the Catholic religion within the Diocese of Lancaster. This is achieved by such charitable purposes as the Bishop of Lancaster, in his absolute discretion, shall think fit in accordance with the Trust Deed, the principal objectives of which are as follows:

- The provision, maintenance and upkeep of churches, public chapels and presbyteries.
- The provision of religious services in these churches and public chapels.
- The provision and maintenance of houses and colleges for the education and training of priests and persons wishing to become priests.
- The maintenance, support and provision of medical and surgical aid and accommodation for infirm and aged priests and the burial of deceased priests.
- The provision of support for priests and clerics working in the Diocese.
- The relief of poor persons professing the Roman Catholic Religion.
- The provision and maintenance of schools and colleges for young people.
- The provision and maintenance of houses, study halls and residences for teachers.
- The provision and upkeep of accommodation for infirm or aged priests.
- The provision and maintenance of cemeteries.
- The provision and maintenance of parish rooms and halls for the enlightenment, education and religious and moral benefit of people of the diocese.
- The provision and maintenance of hospitals and sanatoria for the poor.
- The acquisition of sites for buildings in connection with the above.
- Generally, for any such charitable purposes as, in the opinion of the Bishop, may be conducive to the advancement or maintenance of the Roman Catholic religion in the Diocese of Lancaster.
- Such charitable purposes as shall advance the religious and other charitable work of the Diocese as the trustees with the approval of the Bishop shall from time to time think fit. If at any time the Diocese shall cease to exist or there shall cease to be any religious or other charitable work carried on by the Diocese, then for such other lawful charitable purposes connected with the advancement of the Roman Catholic religion as the trustees shall determine.

Organisation, governance and decision-making

The Diocese of Lancaster has at present 71 parishes with regular services available in around 100 churches and chapels and 80 schools (a mix of academies and VA schools) throughout the whole of the county of Cumbria and those parts of Lancashire, north of the River Ribble and the west of the Pennines. The communities served by the charity are quite diverse and include towns/cities in Cumbria such as Barrow, Workington, Carlisle and Whitehaven and the whole of the Lake District. In urban areas, parishes might be just a few square miles in size, whereas in the more rural parts of Cumbria parishes can be 200+ square miles. In Lancashire the coastal resorts of Blackpool and Morecambe fall within our boundaries, as does the city of Preston.

Although a clear structure of accountability and authority exists within the Catholic Church, as far as possible, day-to-day decision-making and actual pastoral practice takes place at local level in accordance with diocesan policies and wider Church beliefs. Individuals are encouraged to be involved with the delivery and planning of the services that our parishes provide to local communities. Parishes are, for example, expected to have various committees to advise priest-leaders on finance and property as well as the care of the charity's beneficiaries. As there are declining numbers of priests in this country, local communities are increasingly taking a greater responsibility in the running of their parishes. Whilst the trustees of the charity have overall responsibility in civil law matters, many of these local committees are constituted in Church Law, and act in an advisory capacity to Parish Priests/Priests in Charge; however, their work to support their Parish Priests/Priests in Charge and the trustees in their own responsibilities is invaluable.

Meetings of the board of trustees, at which the operation of the charity is discussed, are held regularly though out the year with at least nine meetings per annum. Although overall governance is vested with this body, its decision-making is informed by the work of sub-committees through their regular reports. Trustees play a significant role on each of the charity's main sub-committees.

The principle sub-committees are:

Trustees' Safeguarding Sub-Committee

The diocese and its trustees are committed to safeguarding children, young people and adults at risk in accordance with civil and national Church guidelines.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023

REPORT OF THE TRUSTEES

The Lancaster Diocesan Trustees' Safeguarding Sub-committee oversee safeguarding matters in accordance with recommendations arising from the recent ICSSA enquiry into historic sexual abuse. The diocese is working towards full compliance with the newly developed national catholic safeguarding standards. The Safeguarding Sub-Committee will oversee the necessary governance arrangements in order to monitor that procedures are followed and best practise is developed and maintained. The diocese will be subject to audit by the National Catholic Standards Agency (CSSA) which has regulatory, advisory and audit functions.

Day to day safeguarding work is undertaken by the Diocesan Safeguarding Coordinator whose responsibilities includes oversight of the creation and continuation of a safe environment throughout the diocese; responding when concerns are raised and undertaking the necessary liaison with statutory agencies; supporting those hurt by abuse and managing those church personnel who have caused harm. Each parish has one or more safeguarding representatives.

Finance Sub-Committee

This committee, which is supported by a Certified Accountant who is a diocesan officer, monitors the day to day financial activities of the charity, particularly its liquidity and financial health, setting and controlling the central diocesan budget, and monitors delegated expenditure by parishes (up to £8,000 per project or item). The diocesan office, which reports to this committee, processes most of the charity's Gift Aid claims and the 'annual financial returns' submitted from parishes and other bodies; these are then consolidated into these main charity accounts. The charity's strategies against fraud (and possible bribery) also sit with this committee. The committee does not of itself currently have delegated spending powers; it is also responsible for liaising with the charity's external auditors. The Finance Committee in conjunction with the Property Committee is delegated to approve expenditure on individual property maintenance projects costing up to £25,000. Both committees must agree otherwise the matter is to be referred to the board of trustees.

Property and Health & Safety Sub-Committee

This committee is supported by a qualified surveyor, who is also a diocesan officer, examines and makes judgment on the appropriateness, and the value for money of, property projects submitted by the trustees, or parishes of the diocese. Again, parishes must come to the trustees with any projects over £8,000 in value. The committee also examines proposed leases, and land sales or purchases in accordance with best practice and Charity Law. Currently, all proposed leases (and projects over £8,000) are ratified by the full trustee body. The Property Committee in conjunction with the Finance Committee is delegated to approve expenditure on individual property maintenance projects costing up to £25,000. Both committees must agree otherwise the matter is to be referred to the board of trustees.

This sub-committee ensure that the statutory duties under the Health and Safety at Work Act 1974 and other relevant statutory instruments are met within the Diocese of Lancaster. It will represent the diocese on health and safety and act to protect the health and safety of the clergy, diocesan employees and other people who might be affected by their business within the Diocese of Lancaster. We continue to develop the computerised system introduced across the diocese for the evaluation, monitoring and reporting of health and safety at each "site" operated. Training and health and safety advice and support is provided with this system.

Investment Sub-Committee

Members are drawn primarily from the Finance Sub-Committee and the diocesan Faith and Justice Commission. This sub-committee is responsible for setting policy and monitoring performance of the charity's investments, most of which are designated to individual parishes, but are under the control of the charity in civil law. Professional investment fund managers externally manage the portfolio of investments. The charity was one of the first Catholic dioceses to introduce an ethical and socially responsible investment strategy, and it uses an ethical screening service to this end. The portfolio manager issues a quarterly report of investment performance and an ethical screening report twice yearly as well as meeting face-to-face annually. The investment manager ensures that the portfolio complies with the Diocesan Ethical Policy. The charity is a member of the Church Investors Group (CIG), a collective of faith-based investors seeking to pro-actively engage with companies regarding their own corporate and social responsibilities, rather than just simply avoiding investing in them.

Board of Education and Formation

The Education Service supports 80 schools to ensure that they are successful and act in accordance with the Trust Deed of the Diocese. This involves offering advice and direction on a broad range of educational matters such as, Religious Education and curriculum issues, Catholic Life of a school, staffing and recruitment, governance, admissions, capital and academy developments. The Diocesan Schools Commissioner works closely with the Catholic Education Service, the Regional Schools Commissioners (North and Northwest), Parishes, Local Authorities, and the Department for Education to secure the best support for the schools of the Diocese.

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Our Catholic schools and sixth form college have an important part to play in the mission of the Church. Our Diocesan schools make a strong contribution to education in Cumbria and North Lancashire. They exist so that the Gospel of Jesus Christ is announced to future generations. As Bishop Paul Swarbrick says, "Our Catholic schools have been the bedrock of our mission to make Jesus Christ known and loved in our communities for nearly two centuries. The past two years have highlighted how vital our schools are and how their work and witness reveal Jesus Christ's presence in their locality. Our schools are an integral and critical part of the Diocese of Lancaster's mission.

School Buildings Committee

This monitors the repair and development budgets for school buildings in the diocese, which are part of the voluntary sector. In the voluntary sector, building work is commissioned by the governors/schools with the State paying up to 90% of eventual costs in grant-aid. This is provided in the form of an annual budgeted amount of 'SCA' money, which is then bid for by schools through a local committee process, aided by a professional officer, to prioritise projects according to need, and to ensure best value for the taxpayer.

Diocesan Youth Service Management Group

Currently two trustees serve with others on this committee which oversees the direction and management of our Diocesan Youth Service. Youth Service staff co-ordinate and train volunteers in the parishes and assist with the organisation of events for young people, including the diocesan pilgrimage to Lourdes where our youngsters learn to work with elderly, sick and disabled individuals and groups. The residential diocesan youth centre at Castlerigg in Keswick, which has been open for more than 40 years, draws together young people from schools and parishes from all over the Diocese and beyond – supporting both Catholics and those not of our tradition alike. The centre helps educate young people to develop their physical, mental, moral and spiritual abilities so that they grow up to enable them to contribute positively to society as well as helping them achieve their potential as human beings.

Other diocesan commissions and agencies

See below for information on other diocesan commissions and agencies.

Trustees

In accordance with clause 15 of the Trust Deed, new trustees are appointed by resolution of the trustees but only with and subject to the approval of the Bishop of Lancaster. Trustees are appointed with a view to the overall needs of the Diocese, and considering their skills and backgrounds. Recruitment is undertaken internally or externally whenever a vacancy arises, or at any time, to ensure there is an appropriate pastoral and professional representation including educational, finance, accountancy, legal and property experience. Trustees are not expected to have knowledge of all the operations of the charity upon appointment, but will learn about these through the way trustees' meetings are conducted as well as by serving on sub-committees. The responsibilities of trustees in law are clearly explained on the Charity Commission website, and training opportunities are offered as appropriate; though it is appreciated that many trustees are already in full-time employment.

The central administration of the charity has paid qualified staff supporting the work of the trustees. There are also many volunteers working at every level within the charity, many of whom have considerable professional experience. We would estimate (broadly) that volunteers provide a full-time equivalent of 75 employees, representing a donation of time equivalent to at least £1.5m throughout each year.

Subsidiary entities

The charity has several subsidiary charities and limited liability companies that it controls. Details of these are given in note 2. The subsidiary charities have similar aims to those of the Diocese of Lancaster. The limited companies carry out trading activities, mainly that of social centres and clubs. The financial results of all these subsidiary entities are consolidated into the group accounts.

Investment powers, policy and performance

The trustees' investment powers are governed by the Trustees Act 2000. By an Order of the Charity Commission dated 10th January 1996, the trustees were empowered to delegate certain management and dealing authority to their investment manager. Investments comprise a mix of UK FTSE 350 equities, UK gilts, cash & unit trusts, North American equities, European equities and Alternative Investment, the latter include "green" investments. All individual investments conform to the Trustees Investment Policy which includes criteria established in accordance with the Diocesan Ethical Investment Policy which is reviewed regularly. The return on investments in recent years has been good when considered against comparable benchmarking. The trustees are satisfied that the capital performance and income generated are more than satisfactory and meet our current needs and strategies.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

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REPORT OF THE TRUSTEES

Planning for the future

In line with many other Catholic dioceses in England and Wales, the charity is facing the issue of how best to deliver its services for stakeholders against the backdrop of declining numbers at church. Buildings for worship were often constructed in years gone by when demographics were quite different to today and when the principles of design were also quite different.

Our church buildings and parish communities have a special place in the hearts of many Catholics; therefore the capacity to adapt to changing circumstances does not always come easy, and the Bishop together with the trustees recognise this when plans are being considered. An important strategic review document, formed after extensive consultation, 'Fit for Mission?' remains the blueprint for many of the changes that necessarily must take place.

Our schools however remain popular, with overall pupil numbers broadly static. Many of our schools serve areas of relative social deprivation. We also have well-used church halls across the diocese, many of which are used by the wider community for non-religious use.

Review of activities – general

The activities of the charity are carried out in three main areas: parishes, schools and diocesan. All are directed towards promoting the Faith and spreading the Word of God. Although most direct contact with beneficiaries is via parishes and schools there is a significant amount provided by the diocese which also provides support to the schools and parishes. It is difficult to quantify the Spiritual "success" of these activities but most parishes remain well supported despite the overall decline in Mass attendance and the number on roll at schools remain high. It is also difficult to gauge the financial benefit of activities. How can the "success" of rich and poor parishes be compared?

Review of activities - parishes

Most of the charity's beneficiaries' contact with the charity is at local level; that is our parishes. The reach and impact of parish ministry includes contact with people in schools, hospitals, higher education establishments and prisons. As well as religious services, parishes provide many additional activities including youth groups, social groups, and important support for some of the most vulnerable in our society.

Practical support for those in need, both at home and abroad, feature prominently in the regular activities of many parishes. Although many parish activities nourish those who attend church or are closely connected to it, the evangelising nature of the Gospel imperative and the call to service mean that our parishes are also outward-looking communities with a sense of contributing to the common good of the wider community and building-up 'social capital'. Parishes have a degree of autonomy within the charity, not least because locally delivered services are best planned and delivered by local people. Each parish has its own bank account and is responsible for its own income and expenditure, according to the principle of subsidiarity. Financial records are also kept locally, with annual financial returns being submitted. Independent Financial Examiners are appointed in each parish and several parishes are randomly selected for more detailed external audit each year. All bank balances and account transactions can be viewed centrally for monitoring purposes, with an alert system in place for any unusual or significant transactions.

There are at present 55 priests working in the diocese, together with 10 priests on loan to us from elsewhere. We have 34 retired priests for whom we care. Some priests and sisters from religious communities have a presence in the diocese, either working with the charity or doing similar work under their own auspices. The Diocese has undertaken several initiatives to welcome more religious priests and sisters to minister in our community. Their presence in the Diocese adds a new and vibrant element which will be beneficial to the Diocesan Family. Any overseas religious coming to the Diocese comply with all immigration and safeguarding requirements.

The diocese is aware that immigration is an important national issue, and always seeks, as a recognised Level 1 Sponsoring Body, to only invite an appropriate number of individuals into the country. These have clearly defined religious roles and the diocese undertakes to provide for their upkeep. Thanks are due to the United Kingdom Visa and Immigration Office for the role they play. It should be noted that such invitations are to complement the work done by indigenous priests (a shortage occupation at the current time) and religious communities, not replace it. Our strategy for promoting vocations to priesthood remains at the forefront of our minds, though it is recognised that this 'career' does not fit neatly into usual 'recruitment' models or remuneration packages.

Review of activities - diocese

In addition to the principal trustees' sub-committees listed above, diocesan structures exist to support and implement the decisions of the Bishop and trustees. These include a range of committees, service delivery bodies, advisory boards

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REPORT OF THE TRUSTEES

and commissions to provide assistance to the Bishop in his ministry of oversight and service within the diocese. There are also several funds managed at diocesan level for the general benefit of the diocese as a whole; these include:

Faith & Justice Commission

The commission works with parishes, schools and youth groups throughout the diocese in promoting justice and peace issues, particularly in raising awareness and encouraging involvement with these. Significant emphasis is placed on a greater understanding of world development. The commission organises conferences and produces regular newsletters for the people of the diocese. A part-time worker is employed to support this work.

Sick & Retired Priests Care Fund

The diocese looks after its aged and infirm clergy through the Sick and Retired Priests Care Fund. This is a restricted fund to support those priests who have retired and those recovering from illness. The fund provides a discretionary retirement grant for priests no longer in active ministry, and a home where needed. Some retired priests continue to serve the diocesan community in a reduced role providing occasional help. The fund provides support for some retired housekeepers and manages residential properties for retired clergy situated in the diocese.

Whilst many priests generously continue to serve past conventional retirement age (75 for clergy in Church Law), we do have an increasing number of those retired due to longevity of life and medical advances. Care of these priests is included as an integral part of the diocesan Trust Deed.

Ecclesiastical Education Fund

This (restricted) fund provides financial support for the selection and formation of students preparing for the Priesthood and for the Permanent Diaconate in the diocese. Currently we have three students in training for the Diocesan Priesthood. It also supports ongoing formation of the clergy and provides for priests undertaking postgraduate studies in the UK or abroad. The fund also supports the Vocations Directors for Priesthood and the Permanent Diaconate and their teams in the work of promoting vocations.

Lancaster Diocesan Pilgrimage Trust

The Pilgrimage Trust oversees the annual diocesan pilgrimage to Lourdes for the sick and disabled pilgrims and their families. The pilgrimages are extensively supported by the young people and volunteer medics and carers of the diocese who assist in the care and transporting of the sick and disabled. Due to the Covid 19 pandemic the pilgrimages planned for July 2020 and July 2021 have been cancelled. A successful pilgrimage was held in July 2022.

Public benefit

The Charities Act 2006 has included "Public Benefit" in the definition of a charitable purpose, such that all organisations wishing to be recognised as charities must demonstrate explicitly that their aims are for the public benefit. Based on the Charity Commission guidance, specific examples of a public benefit include the advancement of religion, the advancement of education, the prevention or relief from poverty, the relief of those in need by reason of youth, age, ill health, disability, financial hardship etc. As a "mainstream" religious denomination (and that religion has been stated by parliament to be a charitable purpose) the trustees are confident that the existing aims and activities of the charity, as set out above, sit comfortably within the Charity Commission guidelines.

Many parishes have outreach groups/activities committed to actively working for the needy in their locality. As far as is possible, practical help is given at the point of need, rather than to schemes and projects, though the latter also often happens. Many parishes in urban areas are now involved with local food banks.

International aid also features in the activities of many parishes, usually using existing recognised charities established for this purpose (e.g. CAFOD), or through religious orders who have people on the ground to ensure that aid is used for the purpose it is given. Some parishes have formal links with the projects they support and this ensures good communication and education about the issues facing people in difficult situations abroad.

It should also be recognised that well over 1,000 weekly visits are made to the elderly in their homes throughout the year. We also have teams of chaplains working in hospitals (often on 0.2 of a post) and other healthcare facilities; with many of the clergy working in these places offering a round-the-clock availability throughout the year. Many of these are undertaken by volunteers.

One of the principal activities within each parish is the celebration of Mass by the parish priests. Approximately 8,000 (December 2022) people attend Sunday Mass within our Diocese. But parish priests do far more than celebrate Mass: they are active leaders in our communities and many of our clergy are involved with people at important times of their lives, such as births, marriages and bereavement. Although a church service may take only one hour, this is usually preceded by several hours of contact and preparation with those concerned. Most clergy engage in personal

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counselling, even if informally; others have trained to use sign-language to provide spiritual support to those who have serious hearing impairments. There is clear evidence that most of our schools - which are open to non-Catholics as well as Catholics - produce good results, both academically and socially. Although our schools are denominational in nature, OFSTED reports often comment on their positive achievements in areas of social inclusion, community cohesion, mutual respect and understanding, and promoting citizenship. Faith groups also provide important support and anchor points for persons who are new to the country. One of the strengths of church communities is that they provide community 'anchor-points', which often includes the church building itself, which has sometimes been used by generations of the same family. Of its nature, the Church does not only look after its 'own', but serves the wider locality; it is difficult to gauge the full amount of social investment that is accumulated from the efforts of people of faith, not least because they often do their work deliberately unnoticed and unsung. We know that many parishioners participate in other local charitable endeavours which may or may not have any faith connection.

The stability of parish life is important in a changing world, but that does not mean that local communities are not responding to changing times. Some youth groups, for example have been around for many years with inflow and outflow of young people; other activities for young people are established in the knowledge that they will have a timespan to serve a particular group of young people, who will inevitably move on to other things as they get older or move to university.

It is worth mentioning that many church communities collaborate with other non-Catholic church communities in social projects, so that the interaction generated avoids duplication and best allows delivery of a quality service. One such project includes the 'Street Pastors' initiative which puts volunteers on the streets of cities and towns at night to coincide with young adults' social activities. The initiative not only provides a listening ear, but often helps people get home more safely, and frees up the emergency services to deal with more pressing matters – such initiatives are always done in partnership with the local authority and the Police.

Our Lake District churches and youth centre serve people who come to the area for recreation. Similarly, those coming to seaside resorts such as Blackpool and Morecambe, often come to services during their stay and receive hospitality.

Charitable objectives

The principal objectives of the charity are the provision of churches, religious services, halls, welfare of clergy, relief of poverty and education. The days of diocesan expansion through construction of new church buildings are all but over. The challenge now is to keep existing places of worship open in the context of declining numbers of worshippers and fewer clergy. Creative twinning or merging of parishes is an on-going process, led by the diocesan bishop, who has the primary responsibility for the conduct of public religious worship. It is also true that use of motor vehicles aids mobility and facilitates journeying to other Catholic churches further afield; this being said, there is still great loyalty to local parishes.

The charity continues to respond to developments in education. Our one sixth form college and 11 secondary schools and 69 primary schools, some of which are in socially deprived areas, are run by good staff and are overseen by volunteer governing bodies. OFSTED reports are generally very positive with some outstanding schools being identified, or good schools with some outstanding features. The provision of an academy support trust, and close liaison with local authorities by the Diocesan Education Service helps to ensure that our faith-led education sector keeps up with change and can respond to developing needs quickly.

Our diocesan priests are required to take on more work as their numbers decline. The boom years for clergy were the 1960's and early 1970's. Since then the ratio of priests to people nationally has returned to where it was for much of the late 1800's and early 1900's (that is 1:750). However, we now have more churches open than 100 years ago, all of which need staffing (even if part-time). In common with other dioceses and denominations, clergy are developing new ways of working to ensure the provision of quality and quantity of worship and pastoral services to our beneficiaries, which includes an ever greater use of lay leadership and deacons. At the same time, our clergy are to be commended, that they have not withdrawn from other areas of pastoral ministry to prisons, hospitals and schools for example.

Serious incident reporting

No serious incidents have been reported during the year of review.

Review of financial performance

The group (including social clubs) reported a loss, before investment gains, of £114k for the year (2022: surplus of £468k).

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The charity (parishes and central diocese only) reported a loss of £131k (2022: surplus £412k). The loss if after gains on sale of assets (surplus properties) of £46k (2022: gain on sale of assets of £537k). Without the sale of surplus assets then the charity would have reported a loss of £177k (2022: loss £125k).

There was a decrease in the market value of group investments £4.30m (2022: increase £1.19m). There has been some modest recovery in the value of investments post year end. The market value of group investments at 5 April 2023 was £30.62m compared to £35.38m at 5 April 2022.

At the end of the financial year, the diocese had net positive group credit bank balances of £13.54m (2022: £13.68m), including cash balances of £16k (2022: £651k) held as part of the investment portfolio.

The following is a summary of the financial performance of the Diocesan charity for the last six years: -

	2023	2022	2021	2020	2019	2018
	£000	£000	£000	£000	£000	£000
Net results of the charity	(131)	412	(523)	(2,647)	4,998	737
Gains/(losses) on investment	(4,027)	1,118	7,558	(4,164)	(348)	88
Net movement in funds	(4,158)	1,530	7,035	(6,811)	4,650	825

Total charity funds at 5 April 2023 were £77.01m (2022: £81.17m) and total group funds were £79.43m (2022: £83.85m).

Income

Total charity incoming resources were £8.44m (2022: £7.85m) and the charity reported a loss on activities of £131k (2022: surplus of £412k). There was a large decrease in the value of investments and the unrealised loss on these for the charity was £4.03m (2022: gain £1.19m) resulting in total fund movement (decrease) of £4.16m (2022: increase £1.53m). There was a gain on disposal of assets of £46k (2022: gain £537k).

There has been an increase in voluntary income streams of the charity with the total of donations and legacies increasing from £4m to £4.72m. Legacy receipts increase from £406k to £924k. Donations received increased slightly from £705k to £711k. Income from Charitable Activities has decreased overall from £1.47m to £1.19m, with fewer grants received. This overall increase reflects the return to more "normal" levels of activities following the Covid 19 pandemic.

Mass offertory collections have increased from £2.18m to £2.26m reflecting Mass attendance returning to a "new normal" following the pandemic. Mass offertory and Mass attendance remain below pre Covid 19 pandemic levels and there is an underlying downward decline in Mass attendance which has been the trend for many years now.

The average giving per head for 2023 was £5.63 on the reported Mass attendance figure of approximately 8,000 (December 2022) per week, before Gift Aid, and not including other donations. The figure for 2020, which is the latest year against which a comparison could be made, was £3.25. The Offertory income and Mass attendance for the years 2021 and 2022 were heavily affected by the Covid 19 restrictions.

As the name suggests, 'voluntary donations' or 'donations' are at the discretion of the donor, and at the present time pushing for more, especially in poorer communities might be deemed inappropriate. However, the trustees note that other charities have had to respond to drops in their income by developing new methods of fundraising. The scope for this within church on a Sunday is limited, but a possible fundraising initiative in the future might be adopted.

Thanks are due to our parishioners and other donors for their continued and generous support, particularly during the exceptional circumstance resulting from the Covid 19 pandemic.

Income from stock and share investments showed an increase from £828k in 2022 to £891k for 2023. Bank interest has been received on total net balance following the significant increase in base rates with a total of £121k received. Post year end the way interest is received has changed and a lower amount of bank interest receipts are expected in future.

Trading/cost of raising funds

The trustees do not consider that the charity has any trading income and that any sale of goods etc is from charitable activities and such activities are fund raising and not trading. Such income only forms a small part of the charity's total income. Although the charity has used the standard SORP heading "Other trading activities" which include "social clubs" and "fund raising – fetes etc", the income from these is not trading income. The trading of parish centre bars and

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proprietary parish clubs is operated through separate limited companies the results of which are consolidated in the group accounts.

Donated goods form only a very small amount of charity income, although there is no practical method of valuing donated goods, but the total value of these is not expected to be significant. Many of these would be given as raffle prizes.

Expenditure

Resources expended by the charity in 2023 were £8.58m and the comparable figure for 2022 was £7.43m. The cost of the provision of places of worship and other buildings, including repairs and maintenance, increased from £2.83m to £3.96m. The increase in expenditure is directly attributable to the increased costs of heating and lighting which have more than doubled and the costs of repairs and maintenance.

Two of the highest areas of expenditure are the provision of places of worship & ancillary buildings at £3.96m (2022: £2.83m), a significant number of which are listed buildings, and the provision of religious services and pastoral care at £2.45m (2022: £1.99m). These two cost headings account for approximately 75% (2022: 65%) of total expenditure of the charity and equate to around 76% (2022: circa 62%) of the total income of the charity. The cost of heating of buildings, particularly churches, and maintenance of buildings, many of which are listed, have increase significantly and are likely to remain high. Total heats costs have more than doubled. It is noted that many church heating systems are out of date and inefficient. The age and listed status of many of our properties mean that locally installed renewables, such as solar power are not often possible to consider.

The charity rarely makes external grants from central diocese; however parishes have a degree of discretion in supporting local causes. Those organisations supported by central diocese include ecumenical partnerships, £5k (2022: £12k) and for the structures of the Catholic Church nationally £88k (2022: £91k). Total of grants, donations and levies for the charity amounted to £685k (2022: £1.05m, which includes an exceptional donation to education of £454k).

Staff costs

Total staff costs for the year were slightly higher at £1.11m (2022: £1.04m) with most staff engaged by the parishes.

One employee of the charity received remuneration over £60,000. No trustee received payment for services as a trustee, though clergy trustees receive payments as office holders (i.e. clergy in active ministry).

We employ several professionals as senior management, to work in the central administration of the diocese in the areas of financial management, property management, safeguarding and education. There is a total of 16 (2022: 16) professional staff and support staff with a total remuneration (including pension and National Insurance cost) of circa £513k (2022: £461k).

Again, it should be noted that some of our management, and most of the charity's governance, is by the efforts of volunteers, many of whom have a lifetime of experience in their given field. This applies to the main trustee body, principal sub-committees and diocesan commissions. Parishes rely heavily on volunteers in all aspects of parish life.

A total of £444k (2022: £355k) was paid to clergy as office holders in active ministry. There has been a change in the remuneration available to priests which has resulted in the increased cost. The number of priests in active ministry has decreased from 64 to 59 as recorded at 5 April annually, including priests on loan from other religious orders, of which there were 10 at 5 April 2022 (9 as at April 2022). The decline in the number of serving priests is due to more priests retiring on reaching retirement age than there are men joining the priesthood. An increasing number of priests will retire in the coming years reducing further the number of priests in active ministry.

Staff pay is determined by the trustees for those staff not engaged at parish level. The trustees may decide directly or via one of the sub-committees or boards. The pay of parish staff is decided locally following available guidance from the trustees. The Diocese is committed to ensuring that all staff, wherever engaged, are remunerated at least to the living wage level.

Fund Raising

Fund raising within the diocesan charity is carried out at local parish or department level and there is no co-ordinated diocesan wide fund raising structure or activity. We do not use any professional fund raisers and are not registered with any fund raising body or organisation.

Local fund raising is usually by means of appeals made at public events such as Mass or by organising events such as coffee mornings, sales or fetes for example. Appeals and events are organised by the Parish Priest or by parishioners

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on his behalf. A parish priest may on occasion approach an individual parishioner direct for support but this would be rare and by exception and only if the parishioner was well known to him.

Although these public events are open to all, the majority of those who attend are regular and well know supporters i.e. local parish congregations and are often social occasions as well as fund raising opportunities. The members of the congregation are all well known to and by the parish priest and many to each other. These close relationships allow for the easy identification of people who are vulnerable and to take appropriate action to protect them such as involving a family member if a person were to offer a large or unusual donation.

The Catholic Church has a long tradition of raising funds from its supporters. These supporters range from those who are extremely poor to those who are very wealthy and will include many vulnerable people. The Church has taken care to ensure the people can only give what they can afford and that donations are freely given. People are free to attend events or not, will not be pressurised to donate and will not be contacted at home.

The Diocesan Trustees do not have a formal system for monitoring of fund raising activities and due to the nature and widespread location of such activities it would not be possible or practicable to introduce one. The Trustees have not received any complaints regarding fund raising during the current financial year.

Reserves policy

The Diocesan Trustees recognises that the reserves of the Trust reflect the full range of activities across all parishes and the other diocesan activities. There are funds that are held for specific purposes (restricted funds). Detailed records are held which identify the range of reserves for internal management purposes (see note 13), and it should be noted that the policy for the financial management of these reserves will vary with the purpose for which they are held. All restricted funds are reviewed on a regular basis to ensured that funds actively being used of the purpose of each fund.

Parish based reserves often reflect endowments or legacies from previous years, many of which have been given or established to provide for the longer-term costs associated with the care of often large and old buildings, some of which are 'listed' for the public benefit of the nation. It is also important to recognise that in the canon law of the Catholic Church, each parish is an individual entity and the designation of the finances of each entity must be respected; therefore it is often not possible for cash-based funds to be simply moved from one part of the charity to another. However, given that a levy is paid on various sources of parish income to contribute to the costs of centrally provided diocesan services, then those parishes which are better off, or which have reserves are, in fact, contributing to the common good of all.

Many regular voluntary donations by the charity's beneficiaries and donors in parishes will be spent on the general purposes of the charity in that parish within a reasonably short amount of time as 'revenue' expenditure.

When a parish with unrestricted reserves in any asset class requires funding for a particular project, the trustees will consider using these reserves as either partial, or occasionally as full, funding for the project, whilst taking the longer term future of the parish and the overall diocesan position into account. However, some fundraising at local level is normally expected for significant projects, so that parish reserves are not exhausted all at once, unless this is necessary.

Diocesan reserves reflect funds held for broader or group obligations, such as those for investing in the formation of future clergy and the care of sick and retired priests, as well as funds held for specific purposes. There is no doubt that the diocese needs to consider how these reserves can best be applied in the future to help support changes that will take place due to changes in demography, pastoral need and the actual practise of the faith from place to place (i.e. where the charity is committed to provide churches in order to maintain genuine accessibility by the charity's beneficiaries, even where a particular church might be deemed financially non-viable as a standalone unit). It should be noted that the central diocesan administration does not presently hold any long term reserves itself, but has an internal historic debt to parishes, which represents previous unfunded expenditure. With the agreement of parishes, a long term plan is in place to repay this debt over an appropriate period, primarily using 'windfall' receipts.

The net asset distribution of the reserves set out in note 14 reflects conscious decisions which have been taken in respect of liquidity and longer term investment. Across the charity, banking and market based investment arrangements are pooled, and the trustees are satisfied that the unrestricted reserves are sufficiently liquid and under their control that they can fund the activities of the diocese for a period more than 12 months.

The charity is currently meeting all its pension contribution arrangements and is fully compliant with auto enrolment. All pension arrangements are contributory schemes there are no final salary schemes. Clergy retirement grants are paid

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from a separate restricted fund with its own management body. The Clergy investment portfolio is also actively managed by Quilter Cheviot.

The total of group reserves, including endowment funds and restricted funds, at 5th April 2023 was £79.4m (2022: £83.85m) with £36.63m (2022: £36.63m) held in fixed assets, the majority of which is property (mostly churches and presbyteries); investments in shares/stocks £30.6m (2022: £35.38m) and £13.54m in cash at bank, including that held as part of the investment portfolio (2022: £13.68m).

Investments

Reserves are held in several different asset classes, which include cash, market-based investments and property. On occasion, reserves held in physical assets (land and buildings) may be converted from one asset class to another to provide a better income return.

As indicated above, parish cash reserve balances which are not needed for use in the short to medium-term may be pooled with those reserves of others for investment purposes. Our investments have performed quite well over several years. Most of the investment are held in FTSE 350 companies, UK gilts and more recently some North American and European companies. The portfolio valuation at 5th April 2023 was £30.62m (2022: £35.38m) including the investments of the restricted fund for Sick and Retired Priests valued at £3.16m (2022: £3.76m) which is held in a separate fund with a greater emphasis on the generation of income to provide a source of funding for our revenue obligations in this regard.

Our investment manager has a medium high balanced risk brief for potential progressive capital growth and income. In recent years the performance of our investments has compared favourably with the financial sector benchmarks considered by the Investment Committee. The investment policy has been changed to allow wider investment in overseas companies provided that all investments comply with the Diocesan Ethical Investment Policy. Investment income of the Group for the year was £949k (2022: £899k) and unrealised capital loss was £4.30m (2022: gain £1.19m)

Risk management

The trustees actively review the major risks which they believe the charity is potentially exposed to, identifying the types of risk and the likelihood and potential impact of occurrence, as well as the steps that can be taken to mitigate against these. To mitigate risk the trustees maintain and regularly review a risk register and have put in place insurances, checks, controls and procedures which are communicated to parishes and other diocesan organisations.

A significant percentage of voluntary donations are in cash. Systems exist in parish for the collecting and recording of income, including cash. The Diocesan Finance office scrutinizes all the parish Annual Financial returns for anomalies of discrepancies. A number of parish Annual Financial Returns are also selected for examination each year by the external auditors who visit those parishes selected.

Staff in our Finance Office scrutinizes local bank account balances online daily, noting any significant account movements which are reported to the Finance Sub-committee. Urgent action will be taken to investigate any suspicious transactions or account activity immediately.

The Property Sub-committee monitors approved projects to prevent escalation of costs. Parishes are required to report significant variations on any project's costs. School projects are also closely monitored through the School Building Committee.

At the present time, twenty one schools across the diocese have converted to academy status), with each school being part of one of three diocesan multi academy trusts. Several trustees are 'members' of each of these three academy trusts. The aim is for all diocesan schools to convert to academy status in due course. Although we have a good track record with our voluntary schools, academy status is a new area of risk, especially as the directors of academy trusts are responsible for education standards and financial control.

The on-going financial and pastoral viability of a number of parishes continues to be a matter of concern. Where a parish makes a financial loss for three years in a row, this is formally reported to the trustees.

The central administration budget is monitored monthly and a variance report is presented to trustees.

Trustees' responsibilities in respect of the financial statements

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity during the year and of its financial position at the end of the year. In preparing financial statements, giving a true and fair view, the trustees should follow best practice and: -

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- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless this basis is not considered appropriate.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and to ensure that the financial statements comply with the applicable law and provisions of the Trust Deeds. The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities

Appointment of auditors

A resolution to re-appoint MHA Moore & Smalley as auditors will be considered at a meeting of the trustees.



Rev Canon P Hart - Trustee

Date: 12th January 2024

THE INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

Opinion

We have audited the financial statements of the Lancaster Roman Catholic Diocesan Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 5 April 2023 which comprise of the consolidated and parent charity statement of financial activities, the consolidated and parent charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including 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).

Use of our report

This report is made solely to the charity's trustees, as a body, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 5 April 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 group's or parent 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees 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 during 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.

THE INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's 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 trustees

As explained more fully in the trustees' responsibilities statement set out on pages 13 & 14, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and parent 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 trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 taken together, they could reasonably be expected to influence the economic decisions of users taken based on 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:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud,
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness,
- Auditing the risk of fraud in income by way of transactional testing at parish and central diocesan level, testing income recognition in accordance with the SORP, and testing for completeness of income around the year end.
- An evaluation of the charity's internal control environment,
- Challenging assumptions and judgments made by the board, in particular in relation to future performance of the charity and
- A review of board minutes.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have an impact on the financial statements: Health and Safety (including safeguarding), employment law and compliance with the UK Charities Act.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

THE INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

A further description of our responsibilities is available on the Financial Reporting Council's website at:
<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

MHA Moore and Smalley

MHA Moore and Smalley
Statutory Auditor
Richard House
9 Winckley Square
Preston
PR1 3HP

Date 15/01/2024

MHA Moore and Smalley is eligible to act as an auditor *in terms of section 1212 of the Companies Act 2006*.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	PARISH				CENTRAL DIOCESAN AGENCIES			GROUP TOTAL	Group 2022
		Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000		
INCOME FROM:	3.1									
Donations and legacies		4,591	34	-	4,625	20	81	101	4,726	4,007
Charitable activities		389	5	-	394	759	44	803	1,197	1,477
Other trading activities		1,433	-	-	1,433	273	17	290	1,723	1,245
Investments		581	-	16	597	180	293	473	1,070	899
Other		46	-	-	46	-	-	-	46	537
TOTAL		7,040	39	16	7,095	1,232	435	1,667	8,762	8,165
EXPENDITURE ON:	4.1									
Raising funds		351	-	-	351	95	15	110	461	401
Charitable activities		5,903	171	-	6,074	1,815	520	2,335	8,409	7,290
Other		6	-	-	6	-	-	-	6	6
TOTAL		6,260	171	-	6,431	1,910	535	2,445	8,876	7,697
NET INCOME/(EXPENDITURE) before other recognised gains		780	(132)	16	664	(678)	(100)	(778)	(114)	468
Net gains/(losses) on investments	10	(2,593)	-	(77)	(2,670)	(279)	(1,351)	(1,630)	(4,300)	1,189
NET INCOME/(EXPENDITURE)		(1,813)	(132)	(61)	(2,006)	(957)	(1,451)	(2,408)	(4,414)	1,657
Transfers between funds		(688)	(27)	(16)	(731)	651	80	731	-	-
NET MOVEMENT IN FUNDS		(2,501)	(159)	(77)	(2,737)	(306)	(1,371)	(1,677)	(4,414)	1,657
RECONCILIATION OF FUNDS										
Total funds brought forward		65,399	550	644	66,593	3,205	14,053	17,258	83,851	82,194
FUNDS CARRIED FORWARD		62,898	391	567	63,856	2,899	12,682	15,581	79,437	83,851

The Statement of Financial activities includes all recognised gains and losses in the year. All the above relate to continuing activities.

The notes to the accounts form part of the financial statements.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
CHARITY STATEMENT OF FINANCIAL ACTIVITIES

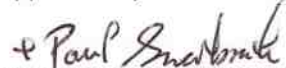
	Notes	PARISH				CENTRAL DIOCESAN AGENCIES			CHARITY TOTAL £000	Charity 2022 £000
		Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000		
INCOME FROM:	3.2									
Donations and legacies		4,592	33	-	4,625	17	81	98	4,723	4,005
Charitable activities		386	5	-	391	759	44	803	1,194	1,403
Other trading activities		1,198	-	-	1,198	257	17	274	1,472	1,077
Investments		581	-	16	597	122	293	415	1,012	828
Other		46	-	-	46	-	-	-	46	537
TOTAL		6,803	38	16	6,857	1,155	435	1,590	8,447	7,850
EXPENDITURE ON:	4.2									
Raising funds		100	-	-	100	78	15	93	193	152
Charitable activities		5,904	170	-	6,074	1,791	520	2,311	8,385	7,286
Other		-	-	-	-	-	-	-	-	-
		6,004	170	-	6,174	1,869	535	2,404	8,578	7,438
NET INCOME/(EXPENDITURE) before other recognised gains		799	(132)	16	683	(714)	(100)	(814)	(131)	412
Net gains/(losses) on investments	10	(2,594)	-	(77)	(2,671)	(5)	(1,351)	(1,356)	(4,027)	1,118
NET INCOME/(EXPENDITURE) before transfers		(1,795)	(132)	(61)	(1,988)	(719)	(1,451)	(2,170)	(4,158)	1,530
Transfers between funds		(687)	(27)	(16)	(730)	650	80	730	-	-
NET MOVEMENT IN FUNDS		(2,482)	(159)	(77)	(2,718)	(69)	(1,371)	(1,440)	(4,158)	1,530
RECONCILIATION OF FUNDS										
Total funds brought forward		65,230	550	644	66,424	699	14,053	14,752	81,176	79,646
FUNDS CARRIED FORWARD		62,748	391	567	63,706	630	12,682	13,312	77,018	81,176

The Statement of Financial activities includes all recognised gains and losses in the year. All the above relate to continuing activities.
The notes to the accounts form part of the financial statements.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
BALANCE SHEET

		GROUP		CHARITY	
		2023	2022	2023	2022
		£000	£000	£000	£000
		Notes			
FIXED ASSETS					
Tangible assets	9	36,630	36,639	36,381	36,420
Investments	10	30,626	35,386	28,627	33,112
		67,256	72,025	65,008	69,532
CURRENT ASSETS					
Stocks		17	13	5	3
Debtors	11	953	964	713	727
Cash at bank and in hand		13,529	13,032	13,485	12,974
		14,499	14,009	14,203	13,704
Creditors: amounts falling due within one year	12	(2,257)	(2,104)	(2,193)	(2,060)
NET CURRENT ASSETS/(LIABILITIES)		12,242	11,905	12,010	11,644
Creditors: amounts falling due after more than one year	12	(61)	(79)	-	-
NET ASSETS		79,437	83,851	77,018	81,176
FUNDS					
Restricted income funds	13.1	13,073	14,603	13,073	14,603
Endowment funds	13.2	567	644	567	644
Parish general funds	13.3	62,898	65,399	62,748	65,230
Diocesan general funds	13.4	2,899	3,205	630	699
TOTAL FUNDS		79,437	83,851	77,018	81,176

Approved by the Trustees on 12 January 2024 and signed on their behalf by


 The Right Reverend P Swarbrick
 Bishop of Lancaster & Chair of the
 Trustees


 Reverend Canon P Hart
 Financial Administrator & Trustee

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
CONSOLIDATED CASH FLOW STATEMENT

	2023 £000	2022 £000	
Cash flows from operating activities			
Net cash provided by (used in) operating activities	(1,068)	(526)	
Cash flows from investing activities:			
Dividends, interest and rents from investment	1,070	899	
Proceeds from sale of property, plant & equipment	219	608	
Purchase of property, plant & equipment	(184)	(18)	
Proceeds of sale of investments	8,588	9,590	
Purchase of investments	(8,764)	(9,484)	
Net cash provided by (used in) investing activities	(139)	1,069	
Cash flows from financing activities:			
Repayment of borrowing	-	-	
Cash inflows from new borrowing	-	-	
Net cash provided by (used in) financing activities	-	-	
Change in cash and cash equivalents in the reporting period	(139)	1,069	
Cash and cash equivalents at the beginning of the reporting period	13,684	12,615	
Change in cash and cash equivalents due to exchange rate movement	-	-	
Cash and cash equivalents at the end of the reporting period	13,545	13,684	
Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(4,414)	1,657	
Adjustments for:			
Depreciation charges	20	26	
(Gains)/losses on investments	4,300	(1,189)	
Dividend, interest and rents from investments	(1,070)	(899)	
Loss/(Profit) on sale of fixed assets	(46)	(537)	
(increase)/decrease in stocks	(4)	1	
(increase)/decrease in debtors	11	299	
increase/(decrease) in creditors	135	116	
Net cash provided by/(used in) operating activities	(1,068)	(526)	
Analysis of change in cash in hand and at bank			
Bank	13,529	13,032	change 497
Held by investment fund managers	16	652	(636)
	13,545	13,684	(139)

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICES

Basis of accounting

Lancaster Roman Catholic Diocesan Trust is a registered charity in the United Kingdom. The address of the charity, the nature of its operations and its principal activities are all detailed in the Trustees' report and Trustees and Advisors pages of these financial statements.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at valuation. The financial statements are prepared in sterling which is the functional currency of the charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Preparation of the accounts on a going concern basis

The trustees have assessed whether the use of the going concern basis is appropriate in the preparation of the financial statements. The period of assessment is one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties that cast doubt on the ability of the charity/group to continue as a going concern. The trustees are of the opinion, based on available financial data, that there will be sufficient incoming resources and assets to meet future liabilities when they fall due taking into account the expected reduction in income with expenditure remaining unchanged during the period of assessment.

A significant area of uncertainty is the value of investments and the income from these which can be drastically affected by economic and other factors beyond the control of the trustees. The trustees are of the opinion that the Charity can withstand a significant fall in the value of these and in investment income receipts, though this is not anticipated.

Basis of consolidation

The consolidated financial statements of the group incorporate the financial statements of the Diocesan Trust, "the charity" which comprise the parishes and central diocesan agencies and subsidiary entities over which the diocese is considered to exert control. Details of the subsidiary entities are given in note 2.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Judgement and key sources of estimation uncertainty

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

In the opinion of the trustees there have been no significant estimate or judgements made in the process of applying the charity's accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

Income recognition

Income is included in the period in which the charity/group becomes entitled to the income, it is probable that it will be received and the amount of income receivable can be measured reliably. Specific policies apply to the categories of income noted below.

Legacies are accounted for on entitlement which is considered to be the earlier of notification from the executor that probate has been granted and confirmed that there are sufficient assets to make a distribution or when a distribution is received.

Collections, including Mass offerings, and other donations are accounted for on a cash received basis as such voluntary donations can only be measured with certainty upon receipt.

Gift Aid donations are accounted for on a cash received basis with any related Gift Aid or Gift Aid Small Donation Scheme tax credits accounted for on an accruals basis.

Revenue grant income is accounted for when received.

Capital grants are recognised as restricted income when received or receipt can be measured reliably and associated costs are charged against these restricted funds.

Investment income is accounted for on an accruals basis.

Income from charitable activities is accounted for on a cash received basis.

Income from fund raising activities is accounted for on a cash received basis.

Rental income from functional properties is accounted for when received under the terms of the lease or hire agreement and when it is probable that it will be received and the amount can be reliably measured.

Trading subsidiary accounts are produced on an accruals basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount can be reliably measured. All expenditure is included in the financial statements on an accruals basis inclusive of irrecoverable VAT.

Expenditure on direct charitable activities mainly comprise: the provision of places of worship and associated buildings e.g. presbyteries; provision of religious services and pastoral care and support; support of education and youth services; training of priests and deacons and the financial support of sick and retired priests.

Support costs include the costs of the Finance and Property Offices, Health & Safety services, Safeguarding Office, the provision of the Pastoral Centre, which houses the administrative offices of the diocese and provide a central meeting venue, and governance costs. Support costs are apportioned to charitable activities based on an estimate of management and employee time spent in support of these activities.

Governance costs are now included under support costs and comprise those costs of the organisation administration and compliance with constitutional and statutory requirements including external audit, legal and other professional services. Governance costs are apportioned to charitable activities based on an estimate of management and employee time spent in support of these activities.

Investments

Investments are initially recognised at their transaction value then subsequently included in the balance sheet at their fair value using the closing quoted market price. Any realised and unrealised gains and losses on revaluation or disposals throughout the year are included in the statement of financial activities.

Tangible fixed assets - other than schools

Functional freehold properties including churches, presbyteries, houses, parish hall/centres and similar buildings are included in the balance sheet at deemed cost. The deemed cost is the discounted insurance value at 1997, which

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

have been discounting based on inflation statistics to arrive at original cost. For the purposes of these financial statements and in line with the provisional arrangements of FRS 102 these estimates of depreciated value at 1997 are now the deemed cost.

The charity took advantage of the transitional provisions under FRS 102 to take the value of freehold property as deemed cost on transition at 6 April 2014 but as historical cost is unknown and cost per the accounts refers to an earlier valuation by the charity, the trustees have continued to show brought forward valuation and accumulated depreciation at transition date in the notes to the accounts. Depreciation has not been charged on freehold property following the introduction of FRS 102 as this charge is considered meaningless.

Freehold properties purchased since 1997 are recorded at cost. Properties donated after 1997 are included at valuation.

Depreciation is calculated to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values over the expected useful economic lives of the assets concerned. The principal annual rates and method used for this purpose are as follows:

	Rate	Method
Fixtures, fittings and equipment	25%	reducing balance basis
Motor Vehicles	25%	reducing balance basis

All additions to fixtures, fittings and other fixed assets after 6th April 1995 more than £5,000 are included at purchase cost less accumulated depreciation.

The charity owns a number of works of art, including paintings, manuscripts and sculptures. All parishes own silverware, in daily use for the purposes of the parish, which are on display within the diocese and parishes. Many have been donated, bequeathed or inherited by the diocese or parishes. Such items are not included at any value in the financial statements because it is considered that no meaningful value can be attributed to them.

Tangible fixed assets – schools property

The diocese owns land on which its voluntary aided and academy schools are built. The school buildings are occupied, improved, extended and repaired by the school governors. All voluntary aided schools, which are exempt charities, and academy schools, occupy land and buildings rent free. The nature of occupation of the land and buildings by these exempt charities and academies means that the diocesan trustees do not have the power to dispose of the land or buildings until a school ceases its occupation, which in turn would require the approval of the governing body and the Secretary of State and may involve recovery of grant aid by the DCSF or the obligation to use the proceeds for other educational provision. Consequently such land and buildings are not in direct use by the charity, do not generate any income, cannot be disposed of on the open market and cannot be used for any other purpose during the schools' occupation, which may be indefinite. In view of these restrictions the trustees believe the recoverable amount of these assets is nil and are included at nil valuation in these financial accounts.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Liquid resources comprise amounts held on deposit with recognised banks and building societies and cash on hand at parishes etc.

Provisions

These are recognised when there is a commitment made to the incurring of expenditure.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

Pension costs

The charity operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Fund accounting

The charity/group has various types of funds for which it is responsible, and which require separate disclosure within the financial statements. These are:

Endowment funds

Funds given to the charity or its subsidiaries, subject to the restriction that they are held as capital. Income derived from endowment funds is included in the Statement of Financial Activities and may be restricted to a particular purpose.

Restricted funds

Donations, grants or legacies received which have been given for a specific purpose or purposes as specified by the donor, where such purposes are within the overall aims of the organisation. These funds may represent capital only (where the capital must be retained) or income and capital (where the donation and income deriving from them may be utilised).

General funds

These represent unrestricted funds which are available at the discretion of the Trustee in furtherance of the objectives of the charity and which have not been designated for other purposes.

Designated funds

These are funds included within the general funds that have been set aside and designated by the trustees for specific purposes.

Parish funds

There are included within the general funds. In civil administration a parish is not a distinct legal entity but forms part of the wider diocese, but with a degree of independence and autonomy. Parish funds and assets, unless subject of a separate trust recognised in law, are funds of the Diocesan Trust and therefore the responsibility of the diocesan trustees. In Canon Law a parish is a public juridical person with the parish priest conducting his ministry under the authority of the Bishop. A parish has the right under Canon Law to acquire, retain, administer and alienate temporal goods subject to the norms of Canon Law.

Taxation

The Roman Catholic Diocese of Lancaster is a charity within the meaning of section 1119 Corporation Taxes Act (CTA) 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478 - 489 of the CTA 2010 or section 256 of the Taxation of Chargeable Gains Act 2010, to the extent that such income or gains are applied to exclusively charitable purposes.

The charity's subsidiary and associated undertakings are subject to corporation tax in the same way as any commercial or charitable organisation, as appropriate.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

2 GROUP BODIES

The charity has interests in associated and subsidiary undertakings, which are consolidated in the financial statements, as follows:

Limited companies

St Kentigern's Parish Centre Ltd	Subsidiary	100%	Social club/centre
St Anthony's Parish (Preston) Centre Ltd	Subsidiary	100%	Social club/centre
St Margaret Mary's Parish Community Centre (Carlisle) Ltd	Subsidiary	100%	Social club/centre

All the above companies are incorporated in the United Kingdom.

Trusts and Charities

The charity has consolidated the financial statements of the following associated or subsidiary trusts and charities into these financial statements:

The Moyston Trust
Lancaster Diocesan Pilgrimage Trust
St Cuthbert's Carlisle School Charity
St John's Poulton 1838 Charity

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

3.1 ANALYSIS OF INCOME – GROUP
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2023	2022
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,265	-	-	2,265	-	-	-	2,265	2,183
Donations	638	34	-	672	11	31	42	714	707
Legacies	870	-	-	870	9	45	54	924	406
Special collections	380	-	-	380	-	-	-	380	290
Gift Aid	438	-	-	438	-	5	5	443	421
Other	-	-	-	-	-	-	-	-	-
	4,591	34	-	4,625	20	81	101	4,726	4,007
Charitable activities									
Grants received	31	5	-	36	115	-	115	151	390
Service charges receivable	-	-	-	-	-	-	-	-	-
Sale of candles, votives etc	116	-	-	116	19	-	19	135	107
Youth Service income	-	-	-	-	442	-	442	442	350
Insurance claim receipts	28	-	-	28	-	-	-	28	45
Income from chaplaincy	69	-	-	69	10	-	10	79	66
Subscriptions and other charges	93	-	-	93	43	44	87	180	172
Inter diocese re-charges	-	-	-	-	-	-	-	-	-
Education Service income	-	-	-	-	-	-	-	-	-
Income for graveyards & funerals	47	-	-	47	-	-	-	47	41
Other	5	-	-	5	130	-	130	135	306
	389	5	-	394	759	44	803	1,197	1,477
Other trading activities									
Social clubs	318	-	-	318	-	-	-	318	37
Fund raising - fetes etc	104	-	-	104	-	-	-	104	230
Rental income	1,011	-	-	1,011	273	17	290	1,301	978
	1,433	-	-	1,433	273	17	290	1,723	1,245
Investments									
Bank interest received	-	-	-	-	121	-	121	121	-
Dividend income	581	-	16	597	59	293	352	949	899
Rental and leasing income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	581	-	16	597	180	293	473	1,070	899
Other									
Gains and losses on sale of fixed assets	46	-	-	46	-	-	-	46	537
Other	-	-	-	-	-	-	-	-	-
	46	-	-	46	-	-	-	46	537
TOTAL GROUP INCOME 2023	7,040	39	16	7,095	1,232	435	1,667	8,762	8,165

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

3.1 ANALYSIS OF INCOME – GROUP
PREVIOUS YEAR 5 April 2022

	PARISHES				CENTRAL DIOCESAN AGENCIES			2022	2021
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
<i>Collections</i>	2,183	-	-	2,183	-	-	-	2,183	1,814
<i>Donations</i>	525	84	-	609	15	83	98	707	698
<i>Legacies</i>	298	40	-	338	2	66	68	406	1,188
<i>Special collections</i>	290	-	-	290	-	-	-	290	215
<i>Gift Aid</i>	421	-	-	421	-	-	-	421	469
<i>Other</i>	-	-	-	-	-	-	-	-	-
	3,717	124	-	3,841	17	149	166	4,007	4,384
Charitable activities									
<i>Grants received</i>	117	111	-	228	127	35	162	390	3,908
<i>Service charges receivable</i>	-	-	-	-	-	-	-	-	9
<i>Sale of candles, votive etc</i>	91	-	-	91	16	-	16	107	57
<i>Youth Service income</i>	-	-	-	-	350	-	350	350	69
<i>Insurance claim receipts</i>	45	-	-	45	-	-	-	45	606
<i>Income from chaplaincy</i>	66	-	-	66	-	-	-	66	79
<i>Subscriptions and other charges</i>	96	-	-	96	35	41	76	172	25
<i>Inter diocese re-charges</i>	-	-	-	-	-	-	-	-	47
<i>Education Service income</i>	-	-	-	-	-	-	-	-	-
<i>Income for graveyards & funerals</i>	41	-	-	41	-	-	-	41	28
<i>Other</i>	3	-	-	3	303	-	303	306	75
	459	111	-	570	831	76	907	1,477	4,903
Other trading activities									
<i>Social clubs</i>	37	-	-	37	-	-	-	37	35
<i>Fund raising - fetes etc</i>	230	-	-	230	-	-	-	230	118
<i>Rental income</i>	872	-	-	872	79	27	106	978	809
	1,139	-	-	1,139	79	27	106	1,245	962
Investments									
<i>Bank interest received</i>	-	-	-	-	-	-	-	-	-
<i>Dividend income</i>	547	-	15	562	72	265	337	899	733
<i>Rental and leasing income</i>	-	-	-	-	-	-	-	-	17
<i>Other</i>	-	-	-	-	-	-	-	-	-
	547	-	15	562	72	265	337	899	750
Other									
<i>Gains and losses on sale of fixed assets</i>	533	-	-	533	(1)	5	4	537	(365)
<i>Other</i>	-	-	-	-	-	-	-	-	42
	533	-	-	533	(1)	5	4	537	(323)
TOTAL GROUP INCOME 2022	6,395	235	15	6,645	998	522	1,520	8,165	10,676

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

3.2 ANALYSIS OF INCOME – CHARITY
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2023	2022
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,265	-	-	2,265	-	-	-	2,265	2,184
Donations	638	33	-	671	8	32	40	711	705
Legacies	870	-	-	870	9	45	54	924	405
Special collections	380	-	-	380	-	-	-	380	290
Gift Aid	439	-	-	439	-	4	4	443	421
Other	-	-	-	-	-	-	-	-	-
	4,592	33	-	4,625	17	81	98	4,723	4,005
Charitable activities									
Grants received	28	5	-	33	115	-	115	148	317
Service charges receivable	-	-	-	-	-	-	-	-	59
Sale of candles, votives etc	116	-	-	116	19	-	19	135	107
Youth Service income	-	-	-	-	442	-	442	442	350
Insurance claim receipts	28	-	-	28	-	-	-	28	45
Income from chaplaincy	69	-	-	69	10	-	10	79	65
Subscriptions and other charges	93	-	-	93	43	44	87	180	112
Inter diocese re-charges	-	-	-	-	-	-	-	-	2
Education Service income	-	-	-	-	-	-	-	-	-
Income for graveyards & funerals	47	-	-	47	-	-	-	47	41
Other	5	-	-	5	130	-	130	135	305
	386	5	-	391	759	44	803	1,194	1,403
Other trading activities									
Social clubs	84	-	-	84	-	-	-	84	37
Fund raising - fetes etc	104	-	-	104	-	-	-	104	62
Rental income	1,010	-	-	1,010	257	17	274	1,284	978
	1,198	-	-	1,198	257	17	274	1,472	1,077
Investments									
Bank interest received	-	-	-	-	121	-	121	121	-
Dividend income	581	-	16	597	1	293	294	891	828
Rental and leasing income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	581	-	16	597	122	293	415	1,012	828
Other									
Gains and losses on sale of fixed assets	46	-	-	46	-	-	-	46	537
	46	-	-	46	-	-	-	46	-
TOTAL CHARITY INCOME 2023	6,803	38	16	6,857	1,155	435	1,590	8,447	7,850

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

3.2 ANALYSIS OF INCOME – CHARITY

PREVIOUS YEAR 5 April 2022

	PARISHES				CENTRAL DIOCESAN AGENCIES			2022	2021
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
<i>Collections</i>	2,184	-	-	2,184	-	-	-	2,184	1,814
<i>Donations</i>	525	84	-	609	13	83	96	705	699
<i>Legacies</i>	297	40	-	337	1	67	68	405	1,184
<i>Special collections</i>	290	-	-	290	-	-	-	290	215
<i>Gift Aid</i>	421	-	-	421	-	-	-	421	469
<i>Other</i>	-	-	-	-	-	-	-	-	-
	3,717	124	-	3,841	14	150	164	4,005	4,381
Charitable activities									
<i>Grants received</i>	43	112	-	155	128	34	162	317	3,907
<i>Service charges receivable</i>	-	-	-	-	18	41	59	59	49
<i>Sale of candles, votive etc</i>	91	-	-	91	16	-	16	107	57
<i>Youth Service income</i>	-	-	-	-	350	-	350	350	69
<i>Insurance claim receipts</i>	45	-	-	45	-	-	-	45	606
<i>Income from chaplaincy</i>	65	-	-	65	-	-	-	65	80
<i>Subscriptions and other charges</i>	97	-	-	97	15	-	15	112	25
<i>Inter diocese re-charges</i>	-	-	-	-	2	-	2	2	6
<i>Education Service income</i>	-	-	-	-	-	-	-	-	-
<i>Income for graveyards & funerals</i>	41	-	-	41	-	-	-	41	28
<i>Other</i>	3	-	-	3	302	-	302	305	74
	385	112	-	497	831	75	906	1,403	4,901
Other trading activities									
<i>Social clubs</i>	37	-	-	37	-	-	-	37	36
<i>Fund raising - fetes etc</i>	62	-	-	62	-	-	-	62	45
<i>Rental income</i>	872	-	-	872	80	26	106	978	809
	971	-	-	971	80	26	106	1,077	890
Investments									
<i>Bank interest received</i>	-	-	-	-	-	-	-	-	-
<i>Dividend income</i>	547	-	15	562	1	265	266	828	694
<i>Rental and leasing income</i>	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-
	547	-	15	562	1	265	266	828	694
Other									
<i>Gains and losses on sale of fixed assets</i>	532	-	-	532	(2)	7	5	537	(365)
	-	-	-	-	-	-	-	-	(365)
TOTAL CHARITY INCOME 2022	6,152	236	15	6,403	924	523	1,447	7,850	10,501

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

4.1 ANALYSIS OF EXPENDITURE – GROUP
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2023	2022
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Expenditure on raising funds:									
Parish fund raising events' costs	49	-	-	49	-	-	-	49	28
Other fund raising events' costs	-	-	-	-	4	-	4	4	40
Social club bar purchases	99	-	-	99	-	-	-	99	60
Social club other costs	144	-	-	144	-	-	-	144	145
Investment management costs	52	-	-	52	17	15	32	84	106
Rental property management costs	7	-	-	7	74	-	74	81	22
Other	-	-	-	-	-	-	-	-	-
	351	-	-	351	95	15	110	461	401
Expenditure on charitable activities									
Provision of places of worship & ancillary buildings	3,515	136	-	3,651	307	-	307	3,958	2,833
Provision of religious services & pastoral care	1,836	19	-	1,855	606	3	609	2,464	1,998
Support of education & youth services	-	-	-	-	763	6	769	769	854
Training of priests, deacons & seminarians	-	-	-	-	5	156	161	161	148
Support of retired priests	-	-	-	-	11	353	364	364	245
Grants, donations & levies	552	16	-	568	117	2	119	687	1,050
Other charitable activity costs	-	-	-	-	6	-	6	6	162
	5,903	171	-	6,074	1,815	520	2,335	8,409	7,290
Other									
	6	-	-	6	-	-	-	6	6
TOTAL GROUP EXPENDITURE 2023	6,260	171	-	6,431	1,910	535	2,445	8,876	7,697

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

4.1 ANALYSIS OF EXPENDITURE – GROUP

PREVIOUS YEAR 5 April 2022

	PARISHES				CENTRAL DIOCESAN AGENCIES			2022	2021
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Endowments</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>		
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Expenditure on raising funds:									
<i>Parish events fund raising costs</i>	28	-	-	28	-	-	-	28	26
<i>Other events fund raising costs</i>	-	-	-	-	38	2	40	40	36
<i>Social club bar purchases</i>	60	-	-	60	-	-	-	60	41
<i>Social club other costs</i>	145	-	-	145	-	-	-	145	97
<i>Investment management costs</i>	57	-	-	57	20	29	49	106	85
<i>Rental property management costs</i>	5	-	-	5	17	-	17	22	18
<i>Other</i>	-	-	-	-	-	-	-	-	67
	295	-	-	295	75	31	106	401	370
Expenditure on charitable activities									
<i>Provision of places of worship & ancillary buildings</i>	2,658	88	-	2,746	87	-	87	2,833	3,426
<i>Provision of religious service & pastoral care</i>	1,615	14	-	1,629	325	44	369	1,998	2,109
<i>Support of education & youth services</i>	-	-	-	-	850	4	854	854	12,154
<i>Training of priests, deacons & seminarians</i>	-	-	-	-	4	144	148	148	121
<i>Support of retired priests</i>	-	-	-	-	9	236	245	245	294
<i>Grants, donations & levies</i>	1,006	15	-	1,021	20	9	29	1,050	499
<i>Other charitable activity costs</i>	39	-	-	39	123	-	123	162	233
	5,318	117	-	5,435	1,418	437	1,855	7,290	10,987
Other									
	6	-	-	6	-	-	-	6	-
TOTAL GROUP EXPENDITURE 2022	5,619	117	-	5,736	1,493	468	1,961	7,697	11,357

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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

4.2 ANALYSIS OF EXPENDITURE -
CHARITY CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2023	2022
	Unrestricted	Restricted	Endowments	Total	Unrestricted	Restricted	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure on raising funds:									
Parish fund raising events' costs	49	-	-	49	3	-	3	52	28
Other fund raising events' costs	-	-	-	-	-	-	-	-	-
Social club bar purchases	-	-	-	-	-	-	-	-	-
Social club other costs	-	-	-	-	-	-	-	-	-
Investment management costs	51	-	-	51	-	15	15	66	86
Rental property management costs	-	-	-	-	75	-	75	75	38
	100	-	-	100	78	15	93	193	152
Expenditure on charitable activities									
Provision of places of worship & ancillary buildings	3,516	136	-	3,652	308	-	308	3,960	2,832
Provision of religious services & pastoral care	1,836	19	-	1,855	589	4	593	2,448	1,998
Support of education & youth services	-	-	-	-	762	6	768	768	853
Training of priests, deacons & seminarians	-	-	-	-	4	156	160	160	148
Support of retired priests	-	-	-	-	11	353	364	364	245
Grants, donations & levies	552	15	-	567	117	1	118	685	1,050
Other charitable activities	-	-	-	-	-	-	-	-	160
	5,904	170	-	6,074	1,791	520	2,311	8,385	7,286
TOTAL CHARITY EXPENDITURE 2023	6,004	170	-	6,174	1,869	535	2,404	8,578	7,438

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

4.2 ANALYSIS OF EXPENDITURE – CHARITY PREVIOUS YEAR 5
April 2023

	PARISHES				CENTRAL DIOCESAN AGENCIES			2022	2021
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Endowments</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>		
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Expenditure on raising funds:									
<i>Parish events fund raising costs</i>	28	-	-	28	-	-	-	28	22
<i>Other events fund raising costs</i>	-	-	-	-	-	-	-	-	3
<i>Social club bar purchases</i>	-	-	-	-	-	-	-	-	-
<i>Social club other costs</i>	-	-	-	-	-	-	-	-	-
<i>Investment management costs</i>	56	-	-	56	-	30	30	86	72
<i>Rental property management costs</i>	-	-	-	-	38	-	38	38	36
	84	-	-	84	38	30	68	152	133
Expenditure on charitable activities									
<i>Provision of places of worship & ancillary buildings</i>	2,657	88	-	2,745	87	-	87	2,832	2,762
<i>Provision of religious service & pastoral care</i>	1,614	15	-	1,629	325	44	369	1,998	1,726
<i>Support of education & youth services</i>	-	-	-	-	849	4	853	853	5,364
<i>Training of priests, deacons & seminarians</i>	-	-	-	-	4	144	148	148	111
<i>Support of retired priests</i>	-	-	-	-	9	236	245	245	295
<i>Grants, donations & levies</i>	1,006	15	-	1,021	20	9	29	1,050	497
<i>Other charitable activities</i>	39	-	-	39	121	-	121	160	136
	5,316	118	-	5,534	1,415	437	1,852	7,286	10,891
TOTAL CHARITY EXPENDITURE 2022	5,400	118	-	5,518	1,453	467	1,920	7,438	11,024

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

5 EMPLOYEES AND OFFICE HOLDERS (including key management personnel)

The number of employees, which excludes clergy and volunteers, during the year was: -

	2023	2022
Central diocesan: administration and support services	12	12
Education Service	4	4
Youth Service including Castlerigg	11	11
Parochial	65	50
Clubs & centres	18	20
	110	97
The aggregate remuneration paid to employees was: -	£000	£000
Wages and salaries	1,024	958
Social security costs	48	42
Pension costs	41	40
	1,113	1,040
Amounts paid to clergy during the year: - for active ministry	444	355
retirement gratuities	254	193
	698	548

The number of employees who earned more than £60,000 (including benefits but excluding employer's national insurance and pension contributions) during the year was as follows: -

	2023	2022
£60,001 - £70,000	<u>1</u>	<u>1</u>
	1	1

Employees include administrative staff at both Diocese and Parishes, together with associated and related entities. Clergy are self-employed office holders and not employees.

Key personnel

The trustees consider the board of trustees as the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give their time freely, and no trustee receives any remuneration in respect of the work undertaken in the role of trustee. There are members of the board of trustees who are also clergy of the Diocese of Lancaster, and as with other members of the clergy receive a remuneration for the work they undertake in their clerical role only. These trustees are identified in the list of trustees on page 3 "Trustees and Advisors".

Details of trustees' expenses and related party transactions are disclosed in the notes the accounts. Trustees are required to disclose all relevant interests and register them with the diocesan secretary and in accordance with the trustees' policy withdraw from decisions where a conflict of interest may arise.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

6 TRUSTEES

No trustee received any remuneration during the year or previous year. Certain trustees received allowances as serving clergy but not in their capacity as trustee.

During the year 4 trustees (2022: 4) received expenses to the value of £2,729 (2022: £1,918) in respect of travel and subsistence costs in respect of their position as a trustee.

Trustees who are also serving clergy may receive expenses in connection with their clerical role. Any such expenses have not been quantified and are not included above.

7 NET EXPENDITURE

	2023 £000	2022 £000
This is stated after charging: -		
Depreciation	20	26
Audit	33	26

8 ALLOCATED SUPPORT COSTS

	Finance Office £000	Gift Aid & Special Collections £000	Pastoral Centre £000	Property Office £000	H&S £000	Governance £000	Group Total £000
Raising Funds	1	1	-	-	-	1	3
Charitable Activities:							
Provision of places of worship	14	6	4	25	16	30	95
Provision of religious services & pastoral care	6	7	10	5	14	21	63
Support of education & youth services	15	5	18	46	21	53	158
Training of priests, deacons & seminarians	1	-	-	-	-	3	4
Support of sick & retired priests	1	2	2	2	-	3	10
Grants, donations & Levies	5	7	-	-	-	6	18
Other charitable activity costs	-	-	-	-	-	-	-
	43	28	34	78	51	117	351

Basis of allocation

Governance and support costs are allocated on estimates of staff and trustees time spent on each charitable or other activity.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

9 TANGIBLE FIXED ASSETS

9.1 GROUP

	PARISHES				CENTRAL DIOCESAN AGENCIES				2023	2022
	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total		
	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £
Cost or valuation										
At the beginning of the year	37,032	42	1,051	38,125	6,874	21	136	7,031	45,156	45,234
Additions	146	-	38	184	-	-	-	-	184	18
Disposals	(184)	-	-	(184)	-	-	-	-	(184)	(96)
At end of the year	36,994	42	1,089	38,125	6,874	21	136	7,031	45,156	45,156
Depreciation and impairments										
At beginning of the year	6,155	27	1,033	7,215	1,161	20	121	1,302	8,517	8,516
Eliminated on disposals	(11)	-	-	(11)	-	-	-	-	(11)	(25)
Depreciation	-	1	8	9	-	1	10	11	20	26
Impairment	-	-	-	-	-	-	-	-	-	-
At end of the year	6,144	28	1,041	7,213	1,161	21	131	1,313	8,526	8,517
Net book value										
Net book value at the beginning of the year	30,877	15	18	30,910	5,713	1	15	5,729	36,639	36,718
Net book value at the end of the year	30,850	14	48	30,912	5,713	-	5	5,718	36,630	36,639

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

9 TANGIBLE FIXED ASSETS

9.2 CHARITY

	PARISHES				CENTRAL DIOCESAN AGENCIES				2023	2022
	Freehold land & buildings	Motor Vehicles	Fixtures, fittings and equipment	Total	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total		
	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £
Cost or valuation										
At the beginning of the year	36,829	42	965	37,836	6,873	21	138	7,032	44,868	44,949
Additions	146	-	-	146	-	-	-	-	146	14
Disposals	(183)	-	-	(183)	-	-	-	-	(183)	(95)
At end of the year	36,792	42	965	37,799	6,873	21	138	7,032	44,831	44,868
Depreciation and impairments										
At beginning of the year	6,156	36	963	7,155	1,161	11	121	1,293	8,448	8,456
Eliminated on disposals	(12)	-	-	(12)	-	-	-	-	(12)	(24)
Depreciation	-	1	1	2	-	3	9	12	14	16
Impairment	-	-	-	-	-	-	-	-	-	-
At end of the year	6,144	37	964	7,145	1,161	14	130	1,305	8,450	8,448
Net book value										
Net book value at the beginning of the year	30,673	6	2	30,681	5,712	10	17	5,739	36,420	38,493
Net book value at the end of the year	30,648	5	1	30,654	5,712	7	8	5,727	36,381	36,420

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

10 INVESTMENTS

	Market value at start of year	Costs of investments purchased	Proceeds of sale of investments	CIMV	Market value at end of year
	£000	£000	£000	£000	£000
CHARITY					
Equities & unit trusts	26,860	8,454	(5,813)	(4,011)	25,490
Fixed interest	7,846	309	(2,773)	(286)	5,096
	<u>34,706</u>	<u>8,763</u>	<u>(8,586)</u>	<u>(4,297)</u>	<u>30,586</u>
Cash	651				16
	<u>35,357</u>				<u>30,602</u>
Held for subsidiary entities	(2,222)			267	(1,955)
Held for third parties	<u>(23)</u>			<u>3</u>	<u>(20)</u>
Charity	<u><u>33,112</u></u>			<u><u>(4,027)</u></u>	<u><u>28,627</u></u>
GROUP					
Equities & unit trusts	26,911	8,455	(5,815)	(4,017)	25,534
Fixed interest	7,846	309	(2,773)	(286)	5,096
	<u>34,757</u>	<u>8,764</u>	<u>(8,588)</u>	<u>(4,303)</u>	<u>30,630</u>
Cash	652				16
	<u>35,409</u>				<u>30,646</u>
Held for third parties	<u>(23)</u>			<u>(3)</u>	<u>(20)</u>
Group	<u><u>35,386</u></u>			<u><u>(4,300)</u></u>	<u><u>30,626</u></u>

The Diocesan Trust operates a pooled investment fund where investors hold units and do not invest directly in discrete holdings.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

11 DEBTORS & PREPAYMENTS

	GROUP		CHARITY	
	2023 £000	2022 £000	2023 £000	2022 £000
Gift Aid and Gift Aid Small Donation Scheme recoverable	375	346	375	346
Sundry debtors	406	466	166	229
Prepayments and accrued income	170	150	170	150
Loans to clergy	2	2	2	2
	953	964	713	727

An amount of £55,473 included in sundry debtors is being repaid by annual instalment of £18,491 each and therefore full repayment will be made within 3 years. All other debtors are receivable within one year.

12 CREDITORS & ACCRUALS

Amounts falling due within one year

Trade creditors	15	15	3	3
Accruals and deferred income	75	50	74	46
Taxation and social security	-	-	-	-
Other creditors	2,167	2,039	2,116	2,011
	2,257	2,104	2,193	2,060

Amounts falling due after more than one year

Other creditors	61	79	-	-
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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS – current year

	Opening balance 2022	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2023
Charity: Diocesan Central Agencies	£000	£000	£000	£000	£000	£000
Ecclesiastical Education Fund	5,456	137	(171)	(44)	(518)	4,860
Poor Missions Fund	2,125	50	(4)	(51)	(205)	1,915
Sick and Retired Priests Fund	5,606	232	(353)	100	(583)	5,002
Funds for Overseas Missions	9	-	-	-	-	9
Kirkham Church of St John and RC Purposes	332	8	-	(8)	(37)	295
Catforth, Thurnham & Westby Schools	93	2	-	(1)	(8)	86
St Ignatius Legacy	21	-	-	-	-	21
Diocesan Catholic Caring Fund	134	-	-	-	-	134
Good Shepherd Fund	57	6	-	-	-	63
Academy Support Grant	18	-	-	-	-	18
Newman School (Carlisle) Chapel Fund	6	-	(6)	-	-	0
Newman School Rebuilding Fund	60	-	-	84	-	144
Legacy (M Lawton)	41	-	-	-	-	41
Diocesan Schools Singing Program	25	-	-	-	-	25
Mary Strand Trust	25	-	-	-	-	25
Sundry Funds (restated)	45	-	(1)	-	-	44
Total of diocesan agencies restricted fund	14,053	435	(535)	80	(1,351)	12,682

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS (continued) – current year

	Opening balance 2022 £000	Income £000	Expenditure £000	Transfers £000	Unrealised gains on investments £000	Closing balance 2023 £000
Charity: Parishes						
St John Vianney & St Monica, Legacy	36	-	-	-	-	36
Our Lady of Eden, Carlisle, Reverend Turner legacy	18	-	-	-	-	18
Our Lady of Perpetual Help, Carlisle Restoration Fund	16	1	(1)	-	-	16
St Mary, Fleetwood, legacy	193	-	-	-	-	193
St Mary, Fleetwood, Local Authority grant	7	-	-	(7)	-	-
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund	34	-	(1)	-	-	33
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth	19	23	(26)	-	-	16
Refugee support projects (various parishes)	56	1	(13)	-	-	44
Workington Stella Maris Project	122	13	(125)	-	-	10
Workington, Legacy	20	-	-	(20)	-	-
St Thomas, Clayton, legacy	10	-	-	-	-	10
St Mary & St James, Scorton, Legacy	10	-	-	-	-	10
St Mary, Hornby, Lottery Community Grant	9	-	(4)	-	-	5
Total of parish restricted funds	550	38	(170)	(27)	-	391
CHARITY total: all restricted funds 2023	14,603	473	(705)	53	(1,351)	13,073
GROUP total 2023: all restricted funds	14,603	473	(705)	53	(1,351)	13,073

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS – previous year 5 April 2022

	Opening balance 2021	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2022
	£000	£000	£000	£000	£000	£000
Charity: Diocesan Central Agencies						
<i>Ecclesiastical Education Fund</i>	5,384	118	(165)	(36)	155	5,456
<i>Poor Missions Fund</i>	2,044	48	(4)	(24)	61	2,125
<i>Sick and Retired Priests Fund</i>	5,403	216	(248)	125	110	5,606
<i>Funds for Overseas Missions</i>	9	-	-	-	-	9
<i>Kirkham Church of St John and RC Purposes</i>	321	8	(1)	(7)	11	332
<i>Catforth, Thurnham & Westby</i>	88	2	-	1	2	93
<i>St Ignatius Legacy</i>	21	-	-	-	-	21
<i>Diocesan Catholic Caring Fund</i>	134	-	-	-	-	134
<i>Good Shepherd Fund</i>	53	6	(2)	-	-	57
<i>Academy Support Grant</i>	18	-	-	-	-	18
<i>Newman School (Carlisle) Chapel Fund</i>	104	-	(8)	(90)	-	6
<i>Newman School Rebuilding Fund</i>	65	-	(5)	-	-	60
<i>Legacy (M Lawton)</i>	-	41	-	-	-	41
<i>Porticus Grant (Youth Service)</i>	-	34	(34)	-	-	-
<i>Diocesan Schools Singing Program</i>	-	25	-	-	-	25
<i>Mary Strand Trust</i>	-	25	-	-	-	25
<i>Sundry Funds (restated)</i>	45	-	-	-	-	45
	13,689	523	(467)	(31)	339	14,053

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS – previous year 5 April 2022

	Opening balance 2021	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2022
<i>St John Vianney & St Monica, Legacy</i>						
<i>Our Lady of Eden, Carlisle, Reverend Turner legacy</i>	36	-	-	-	-	36
<i>Our Lady of Perpetual Help, Carlisle Restoration Fund</i>	18	-	-	-	-	18
<i>St Mary, Fleetwood, legacy</i>	17	-	(1)	-	-	16
<i>St Mary, Fleetwood, Local Authority grant</i>	193	-	-	-	-	193
<i>St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund</i>	-	81	(74)	-	-	7
<i>Our Lady of the Assumption & St Cuthbert, Wigton & Silloth</i>	37		(3)	-	-	34
<i>Refugee support projects (various parishes)</i>	9	26	(14)	(2)	-	19
<i>Workington Stella Maris Project</i>	65	3	(12)	-	-	56
<i>Workington, Legacy</i>	78	44	-	-	-	122
<i>St Thomas, Clayton, legacy</i>	-	20	-	-	-	20
<i>St Mary & St James, Scorton, Legacy</i>	-	10	-	-	-	10
<i>St Mary, Hornby, Lottery Community Grant</i>	-	10	-	-	-	10
<i>St Joseph, Lancaster, Bells Restoration & HLF Grant</i>	-	10	(1)	-	-	9
	453	236	(118)	(21)	-	550
CHARITY total: all restricted funds 2022	14,142	759	(585)	(52)	339	14,603
GROUP total: all restricted funds 2022	14,142	759	(585)	(52)	339	14,603

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

Purpose of restricted funds	
The specific purposes for which the funds are to be applied are as follows:	
Diocesan Central Agencies	
Ecclesiastical Education Fund	Training of priests and deacons of the diocese.
Poor Missions Fund	Support of poor parishes of the diocese.
Sick and Retired Priests Fund	Financial and medical care of sick and retired clergy of the diocese.
Funds for Overseas Missions	Support for overseas missions at the discretion of the Bishop.
Kirkham Church of St John and RC Purposes	The provision and maintenance of resources and facilities for the people of Kirkham for the pursuit of the Roman Catholic religion, through the church of St John The Evangelist, Kirkham.
Catforth, Thurnham & Westby	The provision and maintenance of resources and facilities for the people of Catforth, Thurnham and Westby for the pursuit of the Roman Catholic religion in these areas and educational purposes.
St Ignatius Legacy Fund	Legacies received and previously held as general parish funds which were given for the upkeep of the parish property now in the Canonical ownership of the Diocese.
Diocesan Catholic Caring Fund	To provide support for diocesan sponsored caring activities.
Good Shepherd	To assist diocesan projects that aim to support the poor and disadvantaged, particularly the young and those with special needs.
Academy Support Grant	To assist with costs of setting up school academy trusts.
Newman Chapel Fund	To meet costs of the construction and fittings etc of a new chapel at Newman School, Carlisle.
Newman School Rebuilding Fund	To meet costs of the construction and fittings etc of a new chapel at Newman School, Carlisle.
Legacy (M Lawton)	To assist with new site, contribution towards construction costs of a new school and any other costs associated with the project and to assist the governors with certain costs associated with operating from a temporary site.
Diocesan Schools Singing Program	To be applied towards the purposes of education in the Diocese of lay adults and children.
Mary Strand Trust	To be used to support sing in schools
Sundry	To bring relief to those experiencing poverty arising from unemployment, sickness, disability or other misfortunes that life throws
Parishes	For the purposes of those funds.
Our Lady of Furness, Barrow: grant	To fund buildings maintenance programs.
St John Vianney & St Monica, Legacy	For the parish building fund.
Our Lady of Eden, Carlisle, Reverend Turner legacy	For the refurbishment/rebuilding of the St Ninian's Chapel, Brampton, Carlisle.
St Mary, Fleetwood, Legacy	For the saying of Masses for the nominated family members (name not published for privacy)
Our Lady & St Wilfrid, Warwick Bridge, Carlisle, Restoration Fund	For the restoration of the church of Our Lady & St Wilfrid, Warwick Bridge, Carlisle.
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund	For the poor & needy parishioners of the parish of St Wulstan & St Edmund's, Fleetwood, Lancs.
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth	Grant received to help towards cost of external repairs to the church.
Christ the King, Workington, Stella Maris	To fund repairs works to the church of Our Lady and St Michael, Workington
Refugee support projects (various parishes)	To support Syrian refugee families.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

13.2 PERMANENT ENDOWED FUNDS

	Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
	£000	£000	£000	£000	£000	£000
CHARITY - Lancaster Capital Common Investment Fund	644	16	-	(16)	(77)	567
GROUP - Lancaster Capital Common Investment Fund	644	16	-	(16)	(77)	567

[Previous year](#)

Charity - Lancaster Capital Common Investment Fund

Group- Lancaster Capital Common Investment Fund

621	15	-	(15)	23	644
621	15	-	(15)	23	644

The Lancaster Capital Common Investment Fund represents the endowment fund held by the Charity.

As a direct result of the further scheme of the Charity Commission dated 2 May 2000 (applied on this date but sealed 6 November 2000), as mentioned earlier in the Trustees' Report – Investment Powers, the trustees have transferred a portion of general reserves and reclassified these as an endowment fund "Lancaster Capital Common Investment Fund".

13.3 PARISH GENERAL FUNDS (including designated funds)

	Opening balance	Income	Expenditure	Transfers	Unrealised gains/losses on investments	Closing balance
	£000	£000	£000	£000	£000	£000
CHARITY	65,230	6,803	(6,004)	(687)	(2,594)	62,748
GROUP	65,399	7,040	(6,260)	(688)	(2,593)	62,898

[Previous year 5 April 2022](#)

Charity

Group

64,541	6,152	(5,400)	(817)	754	65,230
64,693	6,395	(5,619)	(824)	754	65,399

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

13.4 DIOCESAN GENERAL FUNDS (including designated funds)

5

**CHARITY
GROUP**

Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
£000	£000	£000	£000	£000	£000
699	1,155	(1,869)	650	(5)	630
3,205	1,232	(1,910)	651	(279)	2,899

Previous year 5 April 2022

Charity

Group

342	924	(1,453)	884	2	699
2,738	998	(1,493)	889	73	3,205

13.5 DESIGNATED FUND (included in general funds)

CHARITY: Diocesan central agencies

Evangelisation
Newbridge House
Vocations
Special collections

Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
£000	£000	£000	£000	£000	£000
292	8	(68)	-	-	232
96	-	-	-	-	96
21	-	-	-	-	21
49	-	-	-	-	49
458	8	(68)	-	-	398

Parishes none

CHARITY total

-	-	-	-	-	
458	8	(68)	-	-	398

GROUP total

458	8	(68)	-	-	398
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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

Previous year 5 April 2022

Charity: Diocesan central agencies

	£000	£000	£000	£000	£000	£000
<i>Evangelisation</i>	347	8	(63)	-	-	292
<i>Newbridge House</i>	96	-	-	-	-	96
<i>Vocations</i>	21	-	-	-	-	21
<i>Special collections</i>	49	-	-	-	-	49
	513	8	(63)	-	-	458
Parishes none	-	-	-	-	-	-
Charity total 2022	513	8	(63)	-	-	458
Group total 2022	513	8	(63)	-	-	458

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

14.1 GROUP

	PARISHES GROUP BALANCES				CENTRAL DIOCESAN AGENCIES GROUP BALANCES			2023	2022
	Unrestricted Funds	Restricted Funds	Endowment	Total	Unrestricted Funds	Restricted Funds	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Fixed assets	30,904	-	-	30,904	4,972	754	5,726	36,630	36,639
Investments	19,126	-	567	19,693	2,040	8,893	10,933	30,626	35,386
Stock	12	-	-	12	5	-	5	17	13
Debtors	631	-	-	631	322	-	322	953	964
Cash at bank and in hand	9,267	391	-	9,658	1,644	2,227	3,871	13,529	13,032
Creditors: amounts falling due within one year	(647)	-	-	(647)	(1,609)	(1)	(1,610)	(2,257)	(2,104)
Creditors: amounts falling due after more than one year	(61)	-	-	(61)	-	-	-	(61)	(79)
Internal balances:									
Loans	(1,867)	-	-	(1,867)	1,867	-	1,867	-	-
Diocesan bonds	5,533	-	-	5,533	(6,342)	809	(5,533)	-	-
NET ASSETS	62,898	391	567	63,856	2,899	12,682	15,581	79,437	83,851

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

14.2 CHARITY

	PARISHES				CENTRAL DIOCESAN AGENCIES			2023	2022
	Unrestricted Funds	Restricted Funds	Endowment	Total	Unrestricted Funds	Restricted Funds	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Fixed Assets	30,655	-	-	30,655	4,972	754	5,726	36,381	36,420
Investments	19,126	-	567	19,693	41	8,893	8,934	28,627	33,112
Stock	-	-	-	-	5	-	5	5	3
Debtors	657	-	-	657	56	-	56	713	727
Cash at bank and in hand	9,227	391	-	9,618	1,640	2,227	3,867	13,485	12,974
Creditors: amounts falling due within one year	(583)	-	-	(583)	(1,609)	(1)	(1,610)	(2,193)	(2,060)
Creditors: amounts falling due after more than one year	-	-	-	-	-	-	-	-	-
Internal balances:									
Loans	(1,867)	-	-	(1,867)	1,867	-	1,867	-	-
Diocesan bonds	5,533	-	-	5,533	(6,342)	809	(5,533)	-	-
NET ASSETS	62,748	391	567	63,706	630	12,682	13,312	77,018	81,176

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2023
NOTES TO THE ACCOUNTS

15 CONTINGENT LIABILITIES

In the opinion of the trustees there were no contingent liabilities in existence, other than in the normal course of the activities of the charity, as at 5th April 2023 or at 5th April 2022.

16 RELATED PARTY TRANSACTIONS

Due to the nature of the charity's operations and the composition of the trustee body, it is inevitable that transactions may take place with organisations in which a member of the trustees may have an interest. Such transactions involving organisations in which a member of the trustee body may have an interest are conducted at arm's length.

Following his appointment as Bishop of Lancaster in April 2018, Right Reverend P Swarbrick holds positions on non-diocesan bodies, including Ushaw College.

The diocese is a shareholder in Inter-Diocesan Fuel Management Limited (IFM), a company set up in conjunction with other dioceses in order to obtain competitively priced energy for diocesan properties. Most fuel payments are made through the IFM bulk buying scheme.

At 5th April 2023 an amount of £55,473 (2022: £73,965) was owing to the diocese from IFM in respect of overpaid contributions, disclosed under other debtors and an amount of £189,144 (2022: £71,100) was owed to IFM from individual parishes and other bodies in respect of energy costs, disclosed under other creditors.

The Blessed Edward Bamber Catholic Multi Academy Trust (BEBCMAT), the Mater Christi Multi Academy Trust (Mater Christi) and the Mater Ecclesiae Multi Academy Trust (Mater Ecclesiae) are each considered as related parties as both the Roman Catholic Bishop of Lancaster and the Lancaster Roman Catholic Diocesan Trustees Registered are members of BEBCMAT and Mater Christi.

During the year the Diocesan Education Service received the following amounts from the:

	<u>2023</u>	<u>2022</u>
	£	£
<u>BEBCMAT</u>		
Inspection fees	-	1,190
Training & conference fees	1,525	-
Academy support services	25,661	17,682
Academy Conversion charge	10,000	
<u>Mater Christi</u>		
Inspection fees	1,000	2,000
Training & conference fees	3,290	5,090
Academy support services	32,340	27,035
Academy Conversion charge	10,000	8,000
<u>Mater Ecclesiae</u>		
Inspection fees	-	-
Training & conference fees	490	-
Academy support services	7,392	-
Academy Conversion charge	-	-

17 HERITAGE ASSETS

The diocese, via its parishes, holds work of art, historic treasures, plate and similar items which are not capitalised in these accounts. In the opinion of the trustees these are considered to be historical assets which are integral to the charity's overall objectives of advancing the Roman Catholic religion and do not fall under the definition of heritage assets.

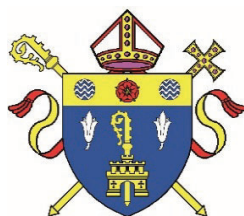
LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

England & Wales - Charity number 234331

Accounts

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED
5 APRIL 2022**



Registered charity number 0234331

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022

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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022

TRUSTEES AND ADVISORS

The Charity is governed by a Trust Deed dated 31 July 1934 (as subsequently amended by schemes of the Charity Commission) and is registered by the Charity Commission of England and Wales as charity number 234331. The Diocese was created by the Holy See in 1924, the northern area formerly having been within the Diocese of Hexham and Newcastle and the southern area having been within the Archdiocese of Liverpool.

Address

Lancaster Roman Catholic Diocesan Trust
The Pastoral Centre
Balmoral Road
Lancaster
LA1 3BT

Trustee

The sole trustee is the Lancaster Roman Catholic Diocesan Trustees Registered a body incorporated under the Charitable Trustees Incorporation Act 1872 (now Part 12 of the Charities Act 2011).

The individuals appointed to the corporate trustee body and known as trustees are:

Who served during the year

Right Rev Bishop P Swarbrick
Rev M Docherty
Rev Canon P Embery
Rev Canon P Hart
Rev F Olaseni (resigned 31/01/22)
Sister R Thomas
Mr P Briers
Mr M Callagher
Mr M Forrest
Mrs L Forster (appointed 01/09/21)
Mrs S Greenwood (appointed 01/12/21)
Ms N Wisdom

Financial Administrator

Reverend Canon P Hart

Secretary

Ms K Heaton-Brown

Auditors

MHA Moore & Smalley
Richard House
9 Winckley Square
Preston
PR1 3HP

Solicitors

BSG Solicitors
3 & 4 Aalborg Square
Lancaster
LA1 1GG

Investment managers

Quilter Cheviot
One Kingsway
London
WC2B 6AN

Bankers

HSBC Bank plc
35 Market Street
Lancaster
LA1 1JQ

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022
REPORT OF THE TRUSTEES

Aims and objectives

The principal purpose of the charity is the furtherance of the Catholic religion within the Diocese of Lancaster. This is achieved by such charitable purposes as the Bishop of Lancaster, in his absolute discretion, shall think fit in accordance with the Trust Deed, the principal objectives of which are as follows:

- The provision, maintenance and upkeep of churches, public chapels and presbyteries.
- The provision of religious services in these churches and public chapels.
- The provision and maintenance of houses and colleges for the education and training of priests and persons wishing to become priests.
- The maintenance, support and provision of medical and surgical aid and accommodation for infirm and aged priests and the burial of deceased priests.
- The provision of support for priests and clerics working in the Diocese.
- The relief of poor persons professing the Roman Catholic Religion.
- The provision and maintenance of schools and colleges for young people.
- The provision and maintenance of houses, study halls and residences for teachers.
- The provision and upkeep of accommodation for infirm or aged priests.
- The provision and maintenance of cemeteries.
- The provision and maintenance of parish rooms and halls for the enlightenment, education and religious and moral benefit of people of the diocese.
- The provision and maintenance of hospitals and sanatoria for the poor.
- The acquisition of sites for buildings in connection with the above.
- Generally, for any such charitable purposes as, in the opinion of the Bishop, may be conducive to the advancement or maintenance of the Roman Catholic religion in the Diocese of Lancaster.
- Such charitable purposes as shall advance the religious and other charitable work of the Diocese as the trustees with the approval of the Bishop shall from time to time think fit. If at any time the Diocese shall cease to exist or there shall cease to be any religious or other charitable work carried on by the Diocese, then for such other lawful charitable purposes connected with the advancement of the Roman Catholic religion as the trustees shall determine.

Organisation, governance and decision-making

The Diocese of Lancaster has at present 71 parishes with regular services available in around 100 churches and chapels and 80 schools (a mix of academies and VA schools) throughout the whole of the county of Cumbria and those parts of Lancashire, north of the River Ribble and the west of the Pennines. The communities served by the charity are quite diverse and include towns/cities in Cumbria such as Barrow, Workington, Carlisle and Whitehaven and the whole of the Lake District. In urban areas, parishes might be just a few square miles in size, whereas in the more rural parts of Cumbria parishes can be 200+ square miles. In Lancashire the coastal resorts of Blackpool and Morecambe fall within our boundaries, as does the city of Preston.

Although a clear structure of accountability and authority exists within the Catholic Church, as far as possible, day-to-day decision-making and actual pastoral practice takes place at local level in accordance with diocesan policies and wider Church beliefs. Individuals are encouraged to be involved with the delivery and planning of the services that our parishes provide to local communities. Parishes are, for example, expected to have various committees to advise priest-leaders on finance and property as well as the care of the charity's beneficiaries. As there are declining numbers of priests in this country, local communities are increasingly taking a greater responsibility in the running of their parishes. Whilst the trustees of the charity have overall responsibility in civil law matters, many of these local committees are constituted in Church Law, and act in an advisory capacity to Parish Priests/Priests in Charge; however their work to support their Parish Priests/Priests in Charge and the trustees in their own responsibilities is invaluable.

Meetings of the board of trustees, at which the operation of the charity is discussed, are held every two months. Although overall governance is vested with this body, its decision-making is informed by the work of sub-committees through their regular reports. Trustees play a significant role on each of the charity's main sub-committees.

The principle sub-committees are:

Trustees' Safeguarding Sub-Committee

The diocese and its trustees are committed to safeguarding children, young people and adults at risk in accordance with civil and national Church guidelines.

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The Lancaster Diocesan Trustees' Safeguarding Sub-committee oversee safeguarding matters in accordance with recommendations arising from the recent ICSSA enquiry into historic sexual abuse. The diocese is working towards full compliance with the newly developed national catholic safeguarding standards. The Safeguarding Sub-Committee will oversee the necessary governance arrangements in order to monitor that procedures are followed and best practise is developed and maintained. The diocese will be subject to audit by the National Catholic Standards Agency (CSSA) which has regulatory, advisory and audit functions.

Day to day safeguarding work is undertaken by the Diocesan Safeguarding Coordinator whose responsibilities includes oversight of the creation and continuation of a safe environment throughout the diocese; responding when concerns are raised and undertaking the necessary liaison with statutory agencies; supporting those hurt by abuse and managing those church personnel who have caused harm. Each parish has one or more safeguarding representatives.

Finance Sub-Committee

This committee, which is supported by a Certified Accountant who is a diocesan officer, monitors the day to day financial activities of the charity, particularly its liquidity and financial health, setting and controlling the central diocesan budget, and monitors delegated expenditure by parishes (up to £8,000 per project or item). The diocesan office, that this committee supervises, processes most of the charity's Gift Aid claims and the 'annual financial returns' submitted from parishes and other bodies; these are then consolidated into these main charity accounts. The charity's strategies against fraud (and possible bribery) also sit with this committee. The committee does not of itself currently have delegated spending powers; it is also responsible for liaising with the charity's external auditors. The Finance Committee in conjunction with the Property Committee is delegated to approve expenditure on individual property maintenance projects costing up to £25,000. Both committees must agree otherwise the matter is to be referred to the board of trustees.

Property and Health & Safety Sub-Committee

This committee is supported by a qualified surveyor, who is also a diocesan officer, examines and makes judgment on the appropriateness, and the value for money of, property projects submitted by the trustees, or parishes of the diocese. Again, parishes must come to the trustees with any projects over £8,000 in value. The committee also examines proposed leases, and land sales or purchases in accordance with best practice and Charity Law. Currently, all proposed leases (and projects over £8,000) are ratified by the full trustee body. The Property Committee in conjunction with the Finance Committee is delegated to approve expenditure on individual property maintenance projects costing up to £25,000. Both committees must agree otherwise the matter is to be referred to the board of trustees.

This sub-committee ensure that the statutory duties under the Health and Safety at Work Act 1974 and other relevant statutory instruments are met within the Diocese of Lancaster. It will represent the diocese on health and safety and act to protect the health and safety of the clergy, diocesan employees and other people who might be affected by their business within the Diocese of Lancaster. We continue to develop the computerised system introduced across the diocese for the evaluation, monitoring and reporting of health and safety at each "site" operated. Training and health and safety advice and support is provided with this system.

Investment Sub-Committee

Members are drawn primarily from the Finance Sub-Committee and the diocesan Faith and Justice Commission. This sub-committee is responsible for setting policy and monitoring performance of the charity's investments, most of which are designated to individual parishes, but are under the control of the charity in civil law. The portfolio of investments is managed externally by professional investment fund managers. The charity was one of the first Catholic dioceses to introduce an ethical and socially responsible investment strategy, and it uses an ethical screening service to this end. The portfolio manager issues a quarterly report of investment performance and an ethical screening report twice yearly as well as meeting face-to-face annually. The investment manager ensures that the portfolio complies with the Diocesan Ethical Policy. The charity is a member of the Church Investors Group (CIG), a collective of faith-based investors seeking to pro-actively engage with companies regarding their own corporate and social responsibilities, rather than just simply avoiding investing in them.

Board of Education and Formation

The Education Service supports 80 schools to ensure that they are successful and act in accordance with the Trust Deed of the Diocese. This involves offering advice and direction on a broad range of educational matters such as, Religious Education and curriculum issues, Catholic Life of a school, staffing and recruitment, governance, admissions, capital and academy developments. The Diocesan Schools Commissioner works closely with the Catholic Education Service, the Regional Schools Commissioners (North and Northwest), Parishes, Local Authorities, and the Department for Education to secure the best support for the schools of the Diocese.

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Our Catholic schools and sixth form college have an important part to play in the mission of the Church. Our Diocesan schools make a strong contribution to education in Cumbria and North Lancashire. They exist so that the Gospel of Jesus Christ is announced to future generations. As Bishop Paul Swarbrick says, "Our Catholic schools have been the bedrock of our mission to make Jesus Christ known and loved in our communities for nearly two centuries. The past two years have highlighted how vital our schools are and how their work and witness reveal Jesus Christ's presence in their locality. Our schools are an integral and critical part of the Diocese of Lancaster's mission".

School Buildings Committee

This monitors the repair and development budgets for school buildings in the diocese, which are part of the voluntary sector. In the voluntary sector, building work is commissioned by the governors/schools with the State paying up to 90% of eventual costs in grant-aid. This is provided in the form of an annual budgeted amount of 'SCA' money, which is then bid for by schools through a local committee process, aided by a professional officer, so as to prioritise projects according to need, and to ensure best value for the taxpayer.

Diocesan Youth Service Management Group

Currently two trustees serve with others on this committee which oversees the direction and management of our Diocesan Youth Service. Youth Service staff co-ordinate and train volunteers in the parishes and assist with the organisation of events for young people, including the diocesan pilgrimage to Lourdes where our youngsters learn to work with elderly, sick and disabled individuals and groups. The residential diocesan youth centre at Castlerigg in Keswick, which has been open for more than 40 years, draws together young people from schools and parishes from all over the Diocese and beyond – supporting both Catholics and those not of our tradition alike. The centre helps educate young people in order to develop their physical, mental, moral and spiritual abilities so that they grow up to enable them to contribute positively to society as well as helping them achieve their potential as human beings.

Other diocesan commissions and agencies

See below for information on other diocesan commissions and agencies.

Trustees

In accordance with clause 15 of the Trust Deed, new trustees are appointed by resolution of the trustees but only with and subject to the approval of the Bishop of Lancaster. Trustees are appointed with a view to the overall needs of the Diocese, and also taking into account their skills and backgrounds. Recruitment is undertaken internally or externally whenever a vacancy arises, or at any time, so as to ensure there is an appropriate pastoral and professional representation including educational, finance, accountancy, legal and property experience. Trustees are not expected to have knowledge of all the operations of the charity upon appointment, but will learn about these through the way trustees' meetings are conducted as well as by serving on sub-committees. The responsibilities of trustees in law are clearly explained on the Charity Commission website, and training opportunities are offered as appropriate; though it is appreciated that many trustees are already in full-time employment.

The central administration of the charity has paid qualified staff supporting the work of the trustees. There are also a large number of volunteers working at every level within the charity, many of whom have considerable professional experience. We estimate (broadly) that volunteers provide a full-time equivalent of 75 employees, representing a donation of time equivalent to at least £1.5m throughout each year.

Subsidiary entities

The charity has a number of subsidiary charities and limited liability companies that it controls. Details of these are given in note 2. The subsidiary charities have similar aims to those of the Diocese of Lancaster. The limited companies carry out trading activities mainly that of social centres and clubs. The financial results of all of these subsidiary entities are consolidated into the group accounts.

Investment powers, policy and performance

The trustees' investment powers are governed by the Trustees Act 2000. By an Order of the Charity Commission dated 10th January 1996, the trustees were empowered to delegate certain management and dealing authority to their investment manager. Investments generally comprise a mix of UK FTSE 350 equities, UK gilts, cash and unit trusts. Individual investments conform to the Trustees Investment Policy which includes criteria established in accordance with the Diocesan Ethical Investment Policy which is reviewed regularly. The return on investments in recent years has been good when considered against comparable benchmarking. The trustees are satisfied that the capital performance and income generated are more than satisfactory and meet our current needs and strategies.

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It is noted that bank interest on cash balances has remained at an historic low for a period of years. As the charity is a net 'saver' rather than 'borrower' this has impacted on income generation from investments and reserves. The charity, however, has continued to perform relatively well.

Covid 19

Following the easing of restrictions all diocesan churches have now re-opened. Most are open for "business" as usual, though a few have opted to retain some limited changes. Although parish life has resumed it is noted that in all churches the numbers attending Mass are still lower than there were pre pandemic. This may be partly due to the continuing decline in church attendance, but many are still concerned about Covid 19 and are not attending public worship.

Although income has recovered, voluntary giving is still below pre pandemic levels which will be connected to reduced numbers at Mass. Cost have increased, but up to April 2022 they were still below pre pandemic levels and are expected to increase significantly as a result of well known worldwide economic issues.

Planning for the future

In line with many other Catholic dioceses in England and Wales, the charity is facing the issue of how best to deliver its services for stakeholders against the backdrop of declining numbers at church. Buildings for worship were often constructed in years gone by when demographics were quite different to today and when the principles of design were also quite different.

Our church buildings and parish communities have a special place in the hearts of many Catholics; therefore the capacity to adapt to changing circumstances does not always come easy, and the Bishop together with the trustees recognise this when plans for the future are being considered. An important strategic review document, formed after extensive consultation, 'Fit for Mission?' remains the blueprint for many of the changes that necessarily have to take place.

Our schools however remain popular, with overall pupil numbers broadly static. Many of our schools serve areas of relative social deprivation. We also have well-used church halls across the diocese, many of which are used by the wider community for non-religious use.

Review of activities – general

The activities of the charity are carried out in three main areas: parishes, schools and diocesan. All are directed towards promoting the Faith and spreading the Word of God. Although most direct contact with beneficiaries is via parishes and schools there is a significant amount provided by the diocese which also provides support to the schools and parishes. It is difficult to quantify the Spiritual "success" of these activities but most parishes remain well supported despite the overall decline in Mass attendance and the number on roll at schools remain high. It is also difficult to gauge the financial benefit of activities. How can the "success" of rich and poor parishes be compared?

Review of activities - parishes

Most of the charity's beneficiaries' contact with the charity is at local level; that is our parishes. The reach and impact of parish ministry includes contact with people in schools, hospitals, higher education establishments and prisons. As well as religious services, parishes provide many additional activities including youth groups, social groups, and important support for some of the most vulnerable in our society.

Practical support for those in need, both at home and abroad, feature prominently in the regular activities of many parishes. Although many parish activities nourish those who attend church or are closely connected to it, the evangelising nature of the Gospel imperative and the call to service mean that our parishes are also outward-looking communities with a sense of contributing to the common good of the wider community and building-up 'social capital'. Parishes have a degree of autonomy within the charity, not least because locally delivered services are best planned and delivered by local people. Each parish has its own bank account and is responsible for its own income and expenditure, according to the principle of subsidiarity. Financial records are also kept locally, with annual financial returns being submitted. Independent Financial Examiners are appointed in each parish and a number of parishes are randomly selected for more detailed external audit each year. All bank balances and account transactions can be viewed centrally for monitoring purposes, with an alert system in place for any unusual or significant transactions.

There are at present 55 priests working in the diocese, together with 9 priests on loan to us from elsewhere. We have 38 retired priests for whom we care. Some priests and sisters from religious communities have a presence in the diocese, either working with the charity or doing similar work under their own auspices.

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The Diocese has undertaken a number of initiatives to welcome more religious priests and sisters to minister in our community. Their presence in the Diocese adds a new and vibrant element which will be beneficial to the Diocesan Family. Any overseas religious coming to the Diocese comply with all immigration and safeguarding requirements.

The diocese is aware that immigration is an important national issue, and always seeks, as a recognised Level 1 Sponsoring Body, to only invite an appropriate number of individuals into the country. These have clearly defined religious roles and the diocese undertakes to provide for their upkeep. Thanks are due to the United Kingdom Visa and Immigration Office for the role they play. It should be noted that such invitations are to complement the work done by indigenous priests and religious communities, not replace it. Our strategy for promoting vocations to priesthood remains at the forefront of our minds, though it is recognised that this 'career' does not fit neatly into usual 'recruitment' models or remuneration packages.

Review of activities - diocese

In addition to the principal trustees' sub-committees listed above, diocesan structures exist to support and implement the decisions of the trustees generally, and the Bishop specifically. These include a range of committees, service delivery bodies, advisory boards and commissions to provide assistance to the Bishop in his ministry of oversight and service within the diocese. There are also a number of funds managed at diocesan level for the general benefit of the diocese as a whole; these include:

Faith & Justice Commission

The commission works with parishes, schools and youth groups throughout the diocese in promoting justice and peace issues, particularly in raising awareness and encouraging involvement with these. Significant emphasis is placed on a greater understanding of world development. The commission organises conferences and produces regular newsletters for the people of the diocese. A part-time worker is employed to support this work.

Sick & Retired Priests Care Fund

The diocese looks after its aged and infirm clergy through the Sick and Retired Priests Care Fund. This is a restricted fund whereby priests who are recovering from illness are also provided for. The fund provides a discretionary retirement grant for priests no longer in active ministry, and a home where needed. Some retired priests are able to continue serving the diocesan community in a reduced role providing occasional help. The fund provides support for some retired housekeepers and also manages residential properties for retired clergy situated in the diocese.

Whilst many priests generously continue to serve past conventional retirement age (75 for clergy in Church Law), we do have an increasing number of those retired due to longevity of life and medical advances. Care of these priests is included as an integral part of the diocesan Trust Deed.

Ecclesiastical Education Fund

This (restricted) fund provides financial support for the selection and formation of students preparing for the Priesthood and for the Permanent Diaconate in the diocese. Currently we have three students in training for the Diocesan Priesthood. It also supports ongoing formation of the clergy and provides for priests undertaking postgraduate studies in the UK or abroad. The fund also supports the Vocations Directors for Priesthood and the Permanent Diaconate and their teams in the work of promoting vocations.

Lancaster Diocesan Pilgrimage Trust

The Pilgrimage Trust oversees the annual diocesan pilgrimage to Lourdes for the sick and disabled pilgrims and their families. The pilgrimages are extensively supported by the young people and volunteer medics and carers of the diocese who assist in the care and transporting of the sick and disabled. Due to the Covid 19 pandemic the pilgrimages planned for July 2020 and July 2021 have been cancelled. A successful pilgrimage was held in July 2022.

Public benefit

The Charities Act 2006 has included "Public Benefit" in the definition of a charitable purpose, such that all organisations wishing to be recognised as charities must demonstrate explicitly that their aims are for the public benefit. Based on the Charity Commission guidance, specific examples of a public benefit include the advancement of religion, the advancement of education, the prevention or relief from poverty, the relief of those in need by reason of youth, age, ill health, disability, financial hardship etc. As a "mainstream" religious denomination (and that religion has been stated by parliament to be a charitable purpose) the trustees are confident that the existing aims and activities of the charity, as set out above, sit comfortably within the Charity Commission guidelines.

Many parishes have outreach groups/activities committed to actively working for the needy in their locality. As far as is possible, practical help is given at the point of need, rather than to schemes and projects, though the latter also often happens. Many parishes in urban areas are now involved with local food banks.

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International aid also features in the activities of many parishes, usually using existing recognised charities established for this purpose (e.g. CAFOD), or through religious orders who have people on the ground to ensure that aid is used for the purpose it is given. Some parishes have formal links with the projects they support and this ensures good communication and education about the issues facing people in difficult situations abroad.

It should also be recognised that well over 1,000 weekly visits are made to the elderly in their homes throughout the year. We also have teams of chaplains working in hospitals (often on 0.2 of a post) and other healthcare facilities; with many of the clergy working in these places offering a round-the-clock availability throughout the year. These are usually helped by volunteer visitors.

One of the principal activities within each parish is the celebration of Mass by the parish priests. Approximately 9,000 (December 2021) people attend Sunday Mass within our Diocese. But parish priests do far more than celebrate Mass: they are active leaders in our communities and many of our clergy are involved with people at important times of their lives, such as births, marriages and bereavement. Although a church service may take only one hour, this is usually preceded by several hours of contact and preparation with those concerned. Most clergy are involved in personal counselling, even if informally; others have trained to use sign-language to provide spiritual support to those who have serious hearing impairments. There is clear evidence that the majority of our schools - which are open to non-Catholics as well as Catholics - produce good results, both academically and socially. Although our schools are denominational in nature, OFSTED reports often comment on their positive achievements in areas of social inclusion, community cohesion, mutual respect and understanding, and promoting citizenship. Faith groups also provide important support and anchor points for persons who are new to the country. One of the strengths of church communities is that they provide community 'anchor-points'; this often includes the church building itself, which has sometimes been used by generations of the same family. Of its nature, the Church does not only look after its 'own', but serves the wider locality; it is difficult to gauge the full amount of social investment that is accumulated from the efforts of people of faith, not least because they often do their work deliberately unnoticed and unsung. We know that many parishioners are involved in other local charitable endeavours which may or may not have any faith connection.

The stability of parish life is important in a changing world, but that does not mean that local communities are not responding to changing times. Some youth groups, for example have been around for many years with inflow and outflow of young people; other activities for young people are established in the knowledge that they will have a timespan to serve a particular group of young people, who will inevitably move on to other things as they get older or move to university.

It is worth mentioning that many church communities collaborate with other non-Catholic church communities in social projects, so that the interaction generated avoids duplication and best allows delivery of a quality service. One such project includes the 'Street Pastors' initiative which puts volunteers on the streets of cities and towns at night to coincide with young adults' social activities. The initiative not only provides a listening ear, but often helps people get home more safely, and also frees up the emergency services to deal with more pressing matters – such initiatives are always done in partnership with the local authority and the Police.

Our Lake District churches and youth centre serve people who come to the area for recreation. Similarly, those coming to seaside resorts such as Blackpool and Morecambe, often come to services during their stay and receive hospitality.

Charitable objectives

The principal objectives of the charity are the provision of churches, religious services, halls, welfare of clergy, relief of poverty and education. The days of diocesan expansion through construction of new church buildings are all but over. The challenge now is to keep existing places of worship open in the context of declining numbers of worshippers and fewer clergy. Creative twinning or merging of parishes is an on-going process, led by the diocesan bishop, who has the primary responsibility for the conduct of public religious worship. It is also true that use of motor vehicles generally aids mobility and facilitates journeying to other Catholic churches further afield; this being said, there is still great loyalty to local parishes.

The charity continues to respond to developments in education. Our one sixth form college and 11 secondary schools and 69 primary schools, some of which are in socially deprived areas, are run by good staff and are overseen by volunteer governing bodies. Generally, OFSTED reports are very positive with some outstanding schools being identified, or good schools with some outstanding features. The provision of an academy support trust, and close liaison with local authorities by the Diocesan Education Service helps to ensure that our faith-led education sector keeps up with change and is able to respond to developing needs quickly.

Our diocesan priests are required to take on more work as their numbers decline. The boom years for clergy were the 1960's and early 1970's. Since then the ratio of priests to people nationally has returned to where it was for much of

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the late 1800's and early 1900's (that is 1:750). However, we now have more churches open than 100 years ago, all of which need staffing (even if part-time). In common with other dioceses and denominations, clergy are developing new ways of working to ensure the provision of quality and quantity of worship and pastoral services to our beneficiaries, which includes an ever greater use of lay leadership and deacons. At the same time, our clergy are to be commended, that they have not withdrawn from other areas of pastoral ministry to prisons, hospitals and schools for example.

Serious incident reporting

No serious incidents have been reported during the year of review.

Review of financial performance

The group (including social clubs) reported a surplus, before investment gains, of £468k for the year (2021: deficit of £681k).

The charity (parishes and central diocese only) reported a surplus of £412k (2021: deficit £523k). The surplus includes gains on sale of assets (surplus properties) of £537k (2021: loss on sale of assets of £365k). Without the sale of surplus assets then the charity would have reported a loss of £125k.

There was an increase in the market value of group investments £1.19m (2021: increase £7.94m) which was further recovery of losses attributed to the effects of the Covid 19 pandemic. The value of investments fell heavily post year end as a result of general market conditions. The market value of group investments at 5 April 2022 was £35.4m compared to £33.8m at 5 April 2021.

At the end of the financial year, the diocese had net positive group credit bank balances of £13.68m (2021 £12.62m), including cash balances of £652k (2021: £149k) held as part of the investment portfolio.

The following is a summary of the financial performance of the Diocesan charity for the last six years:-

	2022	2021	2020	2019	2018	2017
	£000	£000	£000	£000	£000	£000
Net results of the charity	412	(523)	(2,647)	4,998	737	1,524
Gains/(losses) on investment	1,118	7,558	(4,164)	(348)	88	990
Net movement in funds	1,530	7,035	(6,811)	4,650	825	2,514

Total charity funds at 5 April 2022 were £81.17m (2021: £79.65m) and total group funds were £83.85m (2021: £82.19m).

Income

Total charity incoming resources were £7.85m (2021 £10.50m, reducing to £6.29m when receipts relating to Newman School excluded) and the charity reported a surplus on activities of £412k (2021: deficit of £523k reducing to £80k deficit excluding Newman School transactions). There was an increase in the value of investments and the unrealised gain on these for the charity was £1.19m (2021: gain £7.56m) resulting in total fund movement (increase) of £1.53m (2021: increase £7.04m). There was a gain on disposal of assets of £537k compared to a loss of £365k for 2021.

There has been a decrease in voluntary income streams of the charity with the total of donations and legacies decreasing from £4.38m to £4.05m. Legacy receipts decreased from £1.18m to £405k. Donations received increased slightly from £699k to £705k. Income from Charitable Activities has increased overall from £686k (excluding £3.64m grants and £575k insurance receipts re Newman School) to £1.4m. This increase reflects the return to more normal activities following lifting of Covid 19 restrictions.

Mass offertory collections have increased from £1.81m to £2.18m. The increase is due to churches now being fully following the lifting of restrictions but Mass offertory and Mass attendance remain below pre Covid 19 pandemic levels. There is an underlying downward decline in Mass attendance which has been the trend for a number of years now.

The average giving per head for 2020 was £3.25 based on the reported Mass attendance figure of approximately 14,800 (December 2019) per week, before Gift Aid, and not including other donations. A meaningful calculation of the current giving per head is not possible as the data is skewed by the effects of Covid 19 on Mass attendance. We do not anticipate the average giving per head to have changed significantly.

As the name suggests, 'voluntary donations' or 'donations' are at the discretion of the donor, and at the present time pushing for more, especially in poorer communities might be deemed inappropriate. However, the trustees note that

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other charities have had to respond to drops in their income by developing new methods of fundraising. The scope for this within church on a Sunday is limited, but a possible fundraising initiative in the future might be adopted.

Thanks are due to our parishioners and other donors for their continued and generous support, particularly during the exceptional circumstance resulting from the Covid 19 pandemic

Income from stock and share investments showed an increase from £694k in 2021 to £828k for 2022. Although bank interest rates are increasing the charity does not have any funds held in interest bearing deposits at present.

Trading/cost of raising funds

The trustees do not consider that the charity has any trading income and that any sale of goods etc is from charitable activities and such activities are fund raising and not trading. Such income only forms a small part of the charity's total income. Although the charity has used the standard SORP heading "Other trading activities" which include "social clubs" and "fund raising – fetes etc", the income from these is not trading income. The trading of parish centre bars and proprietary parish clubs is operated through separate limited companies the results of which are consolidated in the group accounts.

Donated goods form only a very small amount of charity income, although there is no practical method of valuing donated goods, but the total value of these is not expected to be significant. Many of these would be given as raffle prizes.

Expenditure

Resources expended by the charity in 2022 were £7.43m and the comparable figure for 2021, excluding costs relating to Newman school is £6.37m. The cost of the provision of places of worship and other buildings, including repairs and maintenance, increased from £2.76m to £2.83m. The increase in expenditure is directly attributable to the re-opening of churches following the lifting of Covid 19 restrictions.

Two of the highest areas of expenditure are the provision of places of worship & ancillary buildings at £2.83m (2021: £2.76m), a significant number of which are listed buildings, and the provision of religious services and pastoral care at £1.99m (2021: £1.73m). These two cost headings account for approximately 65% (2021: 70%) of total expenditure (adjusted to exclude expenditure re Newman School) of the charity and equate to around 62% (2021 circa 71%) of the total income (excluding income relating to Newman School) of the charity. Percentages for the 2021 year have been skewed by the effect on income of the pandemic.

Overall there has been a small increase in most individual heads of expenditure as Church activity increased post Covid 19 restrictions removal. Some larger repair projects delayed due to the effect of the pandemic on supply chains and delivery. There will be a "catch up" in the coming years on such expenditure. Further costs will also rise at least short term due well documented inflationary increases and there will be little we can do to combat these price rises. It is noted that many church heating systems are out of date and inefficient. The age and listed status of many of our properties mean that locally installed renewables, such as solar power are not often possible to consider.

The charity rarely makes external grants from central diocese; however parishes have a degree of discretion in supporting local causes. Those organisations supported by central diocese include ecumenical partnerships, £12k (2021: £5k) and for the structures of the Catholic Church nationally £9k (2021: £86k). Total of grants, donations and levies for the charity as a whole amounted to £1.05m (2021: £497k) which includes an exceptional donation to education of £454k.

Staff costs

One employee of the charity received remuneration over £60,000. No trustee received payment for services as a trustee, though clergy trustees receive payments as office holders (i.e. clergy in active ministry).

We employ several professionals as senior management, to work in the central administration of the diocese in the areas of: financial management, property management, safeguarding and education. There is a total of 16 (2021: 15) professional staff and support staff with a total remuneration (including pension and National Insurance cost) of circa £461k (2021: £461k).

Again, it should be noted that some of our management, and most of the charity's governance, is by the efforts of volunteers, many of whom have a lifetime of experience in their given field. This applies to the main trustee body, principal sub-committees and diocesan commissions. Parishes rely heavily on volunteers in all aspects of parish life. Total staff costs for the year were virtually unchanged at £1.04m (2021: £1.06m) with the majority of staff engaged by the parishes.

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A total of £355k (2021: £403k) was paid to clergy as office holders in active ministry. The number of priests in active ministry has decreased from 68 to 64 as recorded at 5 April annually, including priests on loan from other religious orders, of which there were 9 at 5 April 2022 (9 as at April 2021). The decline in priest numbers is due to more priests retiring on reaching retirement age than there are men joining the priesthood. An increasing number of priests will retire in the coming years reducing further the number of priests in active ministry.

Staff pay is determined by the trustees for those staff not engaged at parish level. The trustees may decide directly or via one of the sub-committees or boards. The pay of parish staff is decided locally following available guidance from the trustees. The Diocese is committed to ensuring that all of its staff, wherever engaged, are remunerated at least to the living wage level.

Fund Raising

Fund raising within the diocesan charity is carried out at local parish or department level and there is no co-ordinated diocesan wide fund raising structure or activity. We do not use any professional fund raisers and are not registered with any fund raising body or organisation.

Local fund raising is usually by means of appeals made at public events such as Mass or by organising events such as coffee mornings, sale or fetes for example. Appeals and events are organised by the Parish Priest or by parishioners on his behalf. A parish priest may on occasion approach an individual parishioner direct for support but this would be rare and by exception and only if the parishioner was well known to him.

Although these public events are open to all, the majority of those who attend are regular and well known supporters i.e. local parish congregations and are often social occasions as well as fund raising opportunities. The members of the congregation are all well known to and by the parish priest and many to each other. These close relationships allow for the easy identification of people who are vulnerable and to take appropriate action to protect them such as involving a family member if a person were to offer a large or unusual donation.

The Catholic Church has a long tradition of raising funds from its supporters. These supporters range from those who are very poor to those who are very wealthy and will include many vulnerable people. The Church has taken care to ensure the people can only give what they can afford and that donations are freely given. People are free to attend events or not, will not be pressurised to donate and will not be contacted at home.

The Diocesan Trustees do not have a formal system for monitoring of fund raising activities and due to the nature and widespread location of such activities it would not be possible or practicable to introduce one. The Trustees have not received any complaints regarding fund raising during the current financial year.

Reserves policy

The Diocesan Trustees recognise that the reserves of the Trust reflect the full range of activities across parishes and the diocese as a whole. There are funds that are held for specific purposes (restricted funds). Detailed records are held which identify the range of reserves for internal management purposes (see note 13), and it should be noted that the policy for the financial management of these reserves will vary with the purpose for which they are held.

Parish based reserves often reflect endowments or legacies from previous years, many of which have been given or established to provide for the longer-term costs associated with the care of often large and old buildings, some of which are 'listed' for the public benefit of the nation. It is also important to recognise that in the canon law of the Catholic Church, each parish is an individual entity and the designation of the particular finances of each entity has to be respected; therefore it is often not possible for cash-based funds to be simply moved from one part of the charity to another. However, given that a levy is paid on various sources of parish income to contribute to the costs of centrally provided diocesan services, then those parishes which are better off, or which have reserves are, in fact, contributing to the common good of all.

Generally speaking, the majority of regular voluntary donations by the charity's beneficiaries and donors in parishes will be spent on the general purposes of the charity in that parish within a reasonably short amount of time as 'revenue' expenditure.

When a parish with unrestricted reserves in any asset class requires funding for a particular project, the trustees will consider using these reserves as either partial, or occasionally as full, funding for the project, whilst taking the longer term future of the parish and the overall diocesan position into account. However, some fundraising at local level is normally expected for significant projects, so that parish reserves are not exhausted all at once, unless this is absolutely necessary.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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Diocesan reserves reflect funds held for broader or group obligations, such as those for investing in the formation of future clergy and the care of sick and retired priests, as well as funds held for specific purposes. There is no doubt that the diocese needs to consider how these reserves can best be applied in the future to help support changes that will take place due to changes in demography, pastoral need and the actual practise of the faith from place to place (i.e. where the charity is committed to provide churches in order to maintain genuine accessibility by the charity's beneficiaries, even where a particular church might be deemed financially non-viable as a standalone unit). It should be noted that the central diocesan administration does not presently hold any long term reserves itself, but has an internal historic debt to parishes, which represents previous expenditure. With the agreement of parishes, a long term plan is in place to repay this debt over an appropriate period, primarily using 'windfall' receipts.

The net asset distribution of the reserves set out in note 14 reflects conscious decisions which have been taken in respect of liquidity and longer term investment. Across the charity, banking and market based investment arrangements are pooled, and the trustees are satisfied that the unrestricted reserves are sufficiently liquid and under their control that they are able to fund the activities of the diocese for a period in excess of 12 months.

The charity is currently meeting all its pension contribution arrangements and is fully compliant with auto enrolment. All pension arrangements are contributory schemes there are no final salary schemes. Clergy retirement grants are paid from a separate restricted fund with its own management body. Its portfolio is also actively managed by Quilter Cheviot.

The total of group reserves, including endowment funds and restricted funds, at 5th April 2022 was £83.85m (2021: £82.19m) with £36.63m (2021: £36.72m) held in fixed assets, the majority of which is property; investments in shares/stocks £35.38m (2021: £33.8m) and £13.03m in cash at bank (2021: £12.46m).

Investments

Reserves are held in a number of different asset classes, which include cash, market-based investments and property. On occasion, reserves held in physical assets (land and buildings) may be converted from one asset class to another to provide a better income return.

As indicated above, parish reserve cash balances which are not needed for use in the medium-term future may be pooled with those reserves of others for investment purposes. Our investments, held predominantly in FTSE 350 companies, gilts and cash have performed quite well over several years. The portfolio valuation at 5th April 2022 was £35.38m (2021: £33.8m) including the investments of the restricted fund for Sick and Retired Priests valued at £3.76m (2021: £3.66m) which is held in a separate fund with a greater emphasis on the generation of income to provide a source of funding for our revenue obligations in this regard.

Our investment manager has a medium high balanced risk brief for potential progressive capital growth and income. In recent years the performance of our investments has compared favourably with the financial sector benchmarks considered by the Investment Committee. The main benchmark used is a composite index of income and capital return of FTSE 350 shares and Government Gilts on a weighted 75%/25%. Investment income of the Group for the year was £899k (2021: £733k) and unrealised capital gain was £1.19m (2021: £7.94m)

Risk management

The trustees actively review the major risks which they believe the charity is potentially exposed to, identifying the types of risk and the likelihood and potential impact of occurrence, as well as the steps that can be taken to mitigate against these. To mitigate risk the trustees maintain and regularly review a risk register and have put in place insurances, checks, controls and procedures which are communicated to parishes and other diocesan organisations.

A significant percentage of voluntary donations are in cash. Our external auditors select a number of parishes each year for audit. The audit includes a check on procedures for counting and banking cash donations, including separation of duties.

Staff in our Finance Office scrutinizes local bank account balances online daily, noting any significant account movements which are reported to the Finance Sub-committee. Urgent action will be taken to investigate any suspicious transactions or account activity immediately.

Property projects are monitored by the Property Sub-committee to prevent escalation of costs. Parishes are required to report significant variations on any project's costs. School projects are also closely monitored through the School Building Committee.

At the present time, twenty one schools across the diocese have converted to academy status), with each school being part of one of three diocesan multi academy trusts. Several trustees are 'members' of each of these three academy trusts. The aim is for all diocesan schools to convert to academy status in due course. Although we have a good track

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record with our voluntary schools, academy status is a new area of risk, especially as the directors of academy trusts are responsible for education standards and financial control.

The on-going financial and pastoral viability of a number of parishes continues to be a matter of concern. Where a parish makes a financial loss for three years in a row, this is formally reported to the trustees.

The central administration budget is monitored monthly and a variance report is presented to trustees.

Trustees' responsibilities in respect of the financial statements

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity during the year and of its financial position at the end of the year. In preparing financial statements, giving a true and fair view, the trustees should follow best practice and:-

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless this basis is not considered appropriate.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and to ensure that the financial statements comply with the applicable law and provisions of the Trust Deeds. The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities

Appointment of auditors

A resolution to re-appoint MHA Moore & Smalley as auditors will be considered at a meeting of the trustees.



Rev Canon P Hart - Trustee

Date: 10th January 2023

THE INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

Opinion

We have audited the financial statements of the Lancaster Roman Catholic Diocesan Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 5 April 2022 which comprise of the consolidated and parent charity statement of financial activities, the consolidated and parent charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including 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).

Use of our report

This report is made solely to the charity's trustees, as a body, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 5 April 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 group's or parent 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees 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.

THE INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's 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 trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and parent 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 trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 auditor's 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:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud,
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness,
- An evaluation of the charity's internal control environment,
- Challenging assumptions and judgments made by the board, in particular in relation to future performance of the charity and
- A review of board minutes.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have an impact on the financial statements: Health and Safety (including safeguarding), employment law and compliance with the UK Charities Act.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

THE INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

A further description of our responsibilities is available on the Financial Reporting Council's website at:
<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

A handwritten signature in dark ink that reads "MHA Moore and Smalley". The signature is written in a cursive, slightly stylized font.

MHA Moore and Smalley
Statutory Auditor
Richard House
9 Winckley Square
Preston
PR1 3HP

Date 1 February 2023

MHA Moore and Smalley is eligible to act as an auditor *in terms of section 1212 of the Companies Act 2006*.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	PARISH				CENTRAL DIOCESAN AGENCIES			GROUP TOTAL £000	Group 2021 £000
		Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000		
INCOME FROM:	3.1									
Donations and legacies		3,717	124	-	3,841	17	149	166	4,007	4,384
Charitable activities		459	111	-	570	831	76	907	1,477	4,903
Other trading activities		1,139	-	-	1,139	79	27	106	1,245	962
Investments		547	-	15	562	72	265	337	899	750
Other		533	-	-	533	(1)	5	4	537	(323)
TOTAL		6,395	235	15	6,645	998	522	1,520	8,165	10,676
EXPENDITURE ON:	4.1									
Raising funds		295	-	-	295	75	31	106	401	370
Charitable activities		5,318	117	-	5,435	1,418	437	1,855	7,290	10,987
Other		6	-	-	6	-	-	-	6	-
TOTAL		5,619	117	-	5,736	1,493	468	1,961	7,697	11,357
NET INCOME/(EXPENDITURE) before other recognised gains		776	118	15	909	(495)	54	(441)	468	(681)
Net gains/(losses) on investments	10	754	-	23	777	73	339	412	1,189	7,942
NET INCOME/(EXPENDITURE)		1,530	118	38	1,686	(422)	393	(29)	1,657	7,261
Transfers between funds		(824)	(21)	(15)	(860)	889	(29)	860	-	-
NET MOVEMENT IN FUNDS		706	97	23	826	467	364	831	1,657	7,261
RECONCILIATION OF FUNDS										
Total funds brought forward		64,693	453	621	65,767	2,738	13,689	16,427	82,194	74,933
FUNDS CARRIED FORWARD		65,399	550	644	66,593	3,205	14,053	17,258	83,851	82,194

The Statement of Financial activities includes all recognised gains and losses in the year. All of the above relate to continuing activities.

The notes to the accounts form part of the financial statements.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022
CHARITY STATEMENT OF FINANCIAL ACTIVITIES

	Notes	PARISH				CENTRAL DIOCESAN AGENCIES			CHARITY TOTAL £000	Charity 2021 £000
		Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000		
INCOME FROM:	3.2									
Donations and legacies		3,717	124	-	3,841	14	150	164	4,005	4,381
Charitable activities		385	112	-	497	831	75	906	1,403	4,901
Other trading activities		971	-	-	971	80	26	106	1,077	890
Investments		547	-	15	562	1	265	266	828	694
Other		532	-	-	532	(2)	7	5	537	(365)
TOTAL		6,152	236	15	6,403	924	523	1,447	7,850	10,501
EXPENDITURE ON:	4.2									
Raising funds		84	-	-	84	38	30	68	152	133
Charitable activities		5,316	118	-	5,434	1,415	437	1,852	7,286	10,891
Other		-	-	-	-	-	-	-	-	-
		5,400	118	-	5,518	1,453	467	1,920	7,438	11,024
NET INCOME/(EXPENDITURE) before other recognised gains		752	118	15	885	(529)	56	(473)	412	(523)
Net gains/(losses) on investments	10	754	-	23	777	2	339	341	1,118	7,558
NET INCOME/(EXPENDITURE) before transfers		1,506	118	38	1,662	(527)	395	(132)	1,530	7,035
Transfers between funds		(817)	(21)	(15)	(853)	884	(31)	853	-	-
NET MOVEMENT IN FUNDS		689	97	23	809	357	364	721	1,530	7,035
RECONCILIATION OF FUNDS										
Total funds brought forward		64,541	453	621	65,615	342	13,689	14,031	79,646	72,611
FUNDS CARRIED FORWARD		65,230	550	644	66,424	699	14,053	14,752	81,176	79,646

The Statement of Financial activities includes all recognised gains and losses in the year. All of the above relate to continuing activities.
The notes to the accounts form part of the financial statements.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022
BALANCE SHEET

		GROUP		CHARITY	
		2022	2021	2022	2021
		£000	£000	£000	£000
FIXED ASSETS					
Tangible assets	9	36,639	36,718	36,420	36,493
Investments	10	35,386	33,800	33,112	31,598
		72,025	70,518	69,532	68,091
CURRENT ASSETS					
Stocks		13	14	3	1
Debtors	11	964	1,263	727	1,256
Cash at bank and in hand		13,032	12,466	12,974	12,439
		14,009	13,743	13,704	13,696
Creditors: amounts falling due within one year	12	(2,104)	(1,993)	(2,060)	(2,141)
NET CURRENT ASSETS/(LIABILITIES)		11,905	11,750	11,644	11,555
Creditors: amounts falling due after more than one year	12	(79)	(74)	-	-
NET ASSETS		83,851	82,194	81,176	79,646
FUNDS					
Restricted income funds	13.1	14,603	14,142	14,603	14,142
Endowment funds	13.2	644	621	644	621
Parish general funds	13.3	65,399	64,693	65,230	64,541
Diocesan general funds	13.4	3,205	2,738	699	342
TOTAL FUNDS		83,851	82,194	81,176	79,646

Approved by the Trustees on 10th January 2023 and signed on their behalf by



 The Right Reverend P Swarbrick
 Bishop of Lancaster & Chair of the
 Trustees



 Reverend Canon P Hart
 Financial Administrator & Trustee

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022
CONSOLIDATED CASH FLOW STATEMENT

	2022 £000	2021 £000	
Cash flows from operating activities			
Net cash provided by (used in) operating activities	(526)	147	
Cash flows from investing activities:			
Dividends, interest and rents from investment	899	733	
Proceeds from sale of property, plant & equipment	608	1,170	
Purchase of property, plant & equipment	(18)	(5)	
Proceeds of sale of investments	9,590	1,900	
Purchase of investments	(9,484)	(4,170)	
Net cash provided by (used in) investing activities	1,069	(225)	
Cash flows from financing activities:			
Repayment of borrowing	-	-	
Cash inflows from new borrowing	-	-	
Net cash provided by (used in) financing activities	-	-	
Change in cash and cash equivalents in the reporting period	1,069	(225)	
Cash and cash equivalents at the beginning of the reporting period	12,615	12,840	
Change in cash and cash equivalents due to exchange rate movement	-	-	
Cash and cash equivalents at the end of the reporting period	13,684	12,615	
Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	1,657	7,261	
Adjustments for:			
Depreciation charges	26	15	
(Gains)/losses on investments	(1,189)	(7,942)	
Dividend, interest and rents from investments	(899)	(733)	
Loss/(Profit) on sale of fixed assets	(537)	365	
(increase)/decrease in stocks	1	4	
(increase)/decrease in debtors	299	(434)	
increase/(decrease) in creditors	116	1,611	
Net cash provided by/(used in) operating activities	(526)	147	
Analysis of change in cash in hand and at bank			
Bank	13,032	12,466	change 566
Held by investment fund managers	652	149	503
	13,684	12,615	1,069

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022
NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICES

Basis of accounting

Lancaster Roman Catholic Diocesan Trust is a registered charity in the United Kingdom. The address of the charity, the nature of its operations and its principal activities are all detailed in the Trustees' report and Trustees and Advisors pages of these financial statements.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at valuation. The financial statements are prepared in sterling which is the functional currency of the charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Preparation of the accounts on a going concern basis

The trustees have assessed whether the use of the going concern basis is appropriate in the preparation of the financial statements. The period of assessment is one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties that cast doubt on the ability of the charity/group to continue as a going concern. The trustees are of the opinion, based on available financial data, that there will be sufficient incoming resources and assets to meet future liabilities when they fall due taking into account the expected reduction in income with expenditure remaining unchanged during the period of assessment.

A significant area of uncertainty is the value of investments and the income from these which can be drastically affected by economic and other factors beyond the control of the trustees. The trustees are of the opinion that the Charity can withstand a significant fall in the value of these and in investment income receipts, though this is not anticipated.

Basis of consolidation

The consolidated financial statements of the group incorporate the financial statements of the Diocesan Trust, "the charity" which comprise the parishes and central diocesan agencies and subsidiary entities over which the diocese is considered to exert control. Details of the subsidiary entities are given in note 2.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022
NOTES TO THE ACCOUNTS

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Judgement and key sources of estimation uncertainty

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

In the opinion of the trustees there have been no significant estimate or judgements made in the process of applying the charity's accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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Income recognition

Income is included in the period in which the charity/group becomes entitled to the income, it is probable that it will be received and the amount of income receivable can be measured reliably. Specific policies apply to the categories of income noted below.

Legacies are accounted for on entitlement which is considered to be the earlier of notification from the executor that probate has been granted and confirmed that there are sufficient assets to make a distribution or when a distribution is received.

Collections, including Mass offerings, and other donations are accounted for on a cash received basis as such voluntary donations can only be measured with certainty upon receipt.

Gift Aid donations are accounted for on a cash received basis with any related Gift Aid or Gift Aid Small Donation Scheme tax credits accounted for on an accruals basis.

Revenue grant income is accounted for when received.

Capital grants are recognised as restricted income when received or receipt can be measured reliably and associated costs are charged against these restricted funds.

Investment income is accounted for on an accruals basis.

Income from charitable activities is accounted for on a cash received basis.

Income from fund raising activities is accounted for on a cash received basis.

Rental income from functional properties is accounted for when received under the terms of the lease or hire agreement and when it is probable that it will be received and the amount can be reliably measured.

Trading subsidiary accounts are produced on an accruals basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount can be reliably measured. All expenditure is included in the financial statements on an accruals basis inclusive of irrecoverable VAT.

Expenditure on direct charitable activities mainly comprise: the provision of places of worship and associated buildings e.g. presbyteries; provision of religious services and pastoral care and support; support of education and youth services; training of priests and deacons and the financial support of sick and retired priests.

Support costs include the costs of the Finance and Property Offices, Health & Safety services, Safeguarding Office, the provision of the Pastoral Centre, which houses the administrative offices of the diocese and provide a central meeting venue, and governance costs. Support costs are apportioned to charitable activities based on an estimate of management and employee time spent in support of these activities.

Governance costs are now included under support costs and comprise those costs of the organisation administration and compliance with constitutional and statutory requirements including external audit, legal and other professional services. Governance costs are apportioned to charitable activities based on an estimate of management and employee time spent in support of these activities.

Investments

Investments are initially recognised at their transaction value then subsequently included in the balance sheet at their fair value using the closing quoted market price. Any realised and unrealised gains and losses on revaluation or disposals throughout the year are included in the statement of financial activities.

Tangible fixed assets - other than schools

Functional freehold properties including churches, presbyteries, houses, parish hall/centres and similar buildings are included in the balance sheet at deemed cost. The deemed cost is the discounted insurance value at 1997, which

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have been discounting based on inflation statistics to arrive at original cost. For the purposes of these financial statements and in line with the provisional arrangements of FRS 102 these estimates of depreciated value at 1997 are now the deemed cost.

The charity took advantage of the transitional provisions under FRS 102 to take the value of freehold property as deemed cost on transition at 6 April 2014 but as historical cost is unknown and cost per the accounts refers to an earlier valuation by the charity, the trustees have continued to show brought forward valuation and accumulated depreciation at transition date in the notes to the accounts. Depreciation has not been charged on freehold property following the introduction of FRS 102 as this charge is considered meaningless.

Freehold properties purchased since 1997 are recorded at cost. Properties donated after 1997 are included at valuation.

Depreciation is calculated to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values over the expected useful economic lives of the assets concerned. The principal annual rates and method used for this purpose are as follows:

	Rate	Method
Fixtures, fittings and equipment	25%	reducing balance basis
Motor Vehicles	25%	reducing balance basis

All additions to fixtures, fittings and other fixed assets after 6th April 1995 in excess of £5,000 are included at purchase cost less accumulated depreciation.

The charity owns a number of works of art, including paintings, manuscripts and sculptures. All parishes own silverware, in daily use for the purposes of the parish, which are on display within the diocese and parishes. Many have been donated, bequeathed or inherited by the diocese or parishes. Such items are not included at any value in the financial statements because it is considered that no meaningful value can be attributed to them.

Tangible fixed assets – schools property

The diocese owns land on which its voluntary aided and academy schools are built. The school buildings are occupied, improved, extended and repaired by the school governors. All voluntary aided schools, which are exempt charities, and academy schools, occupy land and buildings rent free. The nature of occupation of the land and buildings by these exempt charities and academies means that the diocesan trustees do not have the power to dispose of the land or buildings until a school ceases its occupation, which in turn would require the approval of the governing body and the Secretary of State and may involve recovery of grant aid by the DCSF or the obligation to use the proceeds for other educational provision. Consequently such land and buildings are not in direct use by the charity, do not generate any income, cannot be disposed of on the open market and cannot be used for any other purpose during the schools' occupation, which may be indefinite. In view of these restrictions the trustees believe the recoverable amount of these assets is nil and are included at nil valuation in these financial accounts.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Liquid resources comprise amounts held on deposit with recognised banks and building societies and cash on hand at parishes etc.

Provisions

These are recognised when there is a commitment made to the incurring of expenditure.

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Pension costs

The charity operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Fund accounting

The charity/group has various types of funds for which it is responsible, and which require separate disclosure within the financial statements. These are:

Endowment funds

Funds given to the charity or its subsidiaries, subject to the restriction that they are held as capital. Income derived from endowment funds is included in the Statement of Financial Activities and may be restricted to a particular purpose.

Restricted funds

Donations, grants or legacies received which have been given for a specific purpose or purposes as specified by the donor, where such purposes are within the overall aims of the organisation. These funds may represent capital only (where the capital must be retained) or income and capital (where the donation and income deriving from them may be utilised).

General funds

These represent unrestricted funds which are available at the discretion of the Trustee in furtherance of the objectives of the charity and which have not been designated for other purposes.

Designated funds

These are funds included within the general funds that have been set aside and designated by the trustees for specific purposes.

Parish funds

There are included within the general funds. In civil administration a parish is not a distinct legal entity but forms part of the wider diocese, but with a degree of independence and autonomy. Parish funds and assets, unless subject of a separate trust recognised in law, are funds of the Diocesan Trust and therefore the responsibility of the diocesan trustees. In Canon Law a parish is a public juridical person with the parish priest carrying out his ministry under the authority of the Bishop. A parish has the right under Canon Law to acquire, retain, administer and alienate temporal goods subject to the norms of Canon Law.

Taxation

The Roman Catholic Diocese of Lancaster is a charity within the meaning of section 1119 Corporation Taxes Act (CTA) 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478 - 489 of the CTA 2010 or section 256 of the Taxation of Chargeable Gains Act 2010, to the extent that such income or gains are applied to exclusively charitable purposes.

The charity's subsidiary and associated undertakings are subject to corporation tax in the same way as any commercial or charitable organisation, as appropriate.

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2 GROUP BODIES

The charity has interests in associated and subsidiary undertakings, which are consolidated in the financial statements, as follows:

Limited companies

St Kentigern's Parish Centre Ltd	Subsidiary	100%	Social club/centre
St Anthony's Parish (Preston) Centre Ltd	Subsidiary	100%	Social club/centre
St Margaret Mary's Parish Community Centre (Carlisle) Ltd	Subsidiary	100%	Social club/centre

All the above companies are incorporated in the United Kingdom.

Trusts and Charities

The charity has consolidated the financial statements of the following associated or subsidiary trusts and charities into these financial statements:

The Moyston Trust
Lancaster Diocesan Pilgrimage Trust
St Cuthbert's Carlisle School Charity
St John's Poulton 1838 Charity

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3.1 ANALYSIS OF INCOME – GROUP
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			GROUP TOTAL	2021
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,183	-	-	2,183	-	-	-	2,183	1,814
Donations	525	84	-	609	15	83	98	707	698
Legacies	298	40	-	338	2	66	68	406	1,188
Special collections	290	-	-	290	-	-	-	290	215
Gift Aid	421	-	-	421	-	-	-	421	469
Other	-	-	-	-	-	-	-	-	-
	3,717	124	-	3,841	17	149	166	4,007	4,384
Charitable activities									
Grants received	117	111	-	228	127	35	162	390	3,908
Service charges receivable	-	-	-	-	-	-	-	-	9
Sale of candles, votives etc	91	-	-	91	16	-	16	107	57
Youth Service income	-	-	-	-	350	-	350	350	69
Insurance claim receipts	45	-	-	45	-	-	-	45	606
Income from chaplaincy	66	-	-	66	-	-	-	66	79
Subscriptions and other charges	96	-	-	96	35	41	76	172	25
Inter diocese re-charges	-	-	-	-	-	-	-	-	47
Education Service income	-	-	-	-	-	-	-	-	-
Income for graveyards & funerals	41	-	-	41	-	-	-	41	28
Other	3	-	-	3	-	-	-	306	75
	459	111	-	570	831	76	907	1,477	4,903
Other trading activities									
Social clubs	37	-	-	37	-	-	-	37	35
Fund raising - fetes etc	230	-	-	230	-	-	-	230	118
Rental income	872	-	-	872	79	27	106	978	809
	1,139	-	-	1,139	79	27	106	1,245	962
Investments									
Bank interest received	-	-	-	-	-	-	-	-	-
Dividend income	547	-	15	562	72	265	337	899	733
Rental and leasing income	-	-	-	-	-	-	-	-	17
Other	-	-	-	-	-	-	-	-	-
	547	-	15	562	72	265	337	899	750
Other									
Gains and losses on sale of fixed assets	533	-	-	533	(1)	5	4	537	(365)
Other	-	-	-	-	-	-	-	-	42
	533	-	-	533	(1)	5	4	537	(323)
TOTAL GROUP INCOME 2022	6,395	235	15	6,645	998	522	1,520	8,165	10,676

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3.1 ANALYSIS OF INCOME – GROUP
PREVIOUS YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2021 GROUP TOTAL	2020
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	1,814	-	-	1,814	-	-	-	1,814	2,357
Donations	617	25	-	642	8	48	56	698	1,141
Legacies	309	203	-	512	15	661	676	1,188	330
Special collections	215	-	-	215	-	-	-	215	434
Gift Aid	468	-	-	468	1	-	1	469	504
Other	-	-	-	-	-	-	-	-	-
	3,423	228	-	3,651	24	709	733	4,384	4,766
Charitable activities									
Grants received	78	10	-	88	182	3,638	3,820	3,908	7,903
Service charges receivable	7	-	-	7	2	-	2	9	3
Sale of candles, votive etc	51	-	-	51	6	-	6	57	186
Youth Service income	-	-	-	-	69	-	69	69	331
Insurance claim receipts	13	-	-	13	-	593	593	606	404
Income from chaplaincy	79	-	-	79	-	-	-	79	95
Subscriptions and other charges	-	-	-	-	25	-	25	25	98
Inter diocese re-charges	-	-	-	-	-	47	47	47	-
Education Service income	-	-	-	-	-	-	-	-	192
Income for graveyards & funerals	28	-	-	28	-	-	-	28	30
Other	10	-	-	10	65	-	65	75	237
	266	10	-	276	349	4,278	4,627	4,903	9,479
Other trading activities									
Social clubs	35	-	-	35	-	-	-	35	81
Fund raising - fetes etc	118	-	-	118	-	-	-	118	474
Rental income	648	-	-	648	133	28	161	809	901
	801	-	-	801	133	28	161	962	1,456
Investments									
Bank interest received	-	-	-	-	-	-	-	-	-
Dividend income	449	-	14	463	40	230	270	733	989
Rental and leasing income	-	-	-	-	17	-	17	17	-
Other	-	-	-	-	-	-	-	-	-
	449	-	14	463	57	230	287	750	989
Other									
Gains and losses on sale of fixed assets	-	-	-	-	-	-(365)	(365)	(365)	849
Other	42	-	-	42	-	-	-	42	-
	42	-	-	42	-	(365)	(365)	(323)	849
TOTAL GROUP INCOME 2021	4,981	238	14	5,233	563	4,880	5,443	10,676	17,539

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3.2 ANALYSIS OF INCOME – CHARITY
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			CHARITY TOTAL	2021
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,184	-	-	2,184	-	-	-	2,184	1,814
Donations	525	84	-	609	13	83	96	705	699
Legacies	297	40	-	337	1	67	68	405	1,184
Special collections	290	-	-	290	-	-	-	290	215
Gift Aid	421	-	-	421	-	-	-	421	469
Other	-	-	-	-	-	-	-	-	-
	3,717	124	-	3,841	14	150	164	4,005	4,381
Charitable activities									
Grants received	43	112	-	155	128	34	162	317	3,907
Service charges receivable	-	-	-	-	18	41	59	59	49
Sale of candles, votives etc	91	-	-	91	16	-	16	107	57
Youth Service income	-	-	-	-	350	-	350	350	69
Insurance claim receipts	45	-	-	45	-	-	-	45	606
Income from chaplaincy	65	-	-	65	-	-	-	65	80
Subscriptions and other charges	97	-	-	97	15	-	15	112	25
Inter diocese re-charges	-	-	-	-	2	-	2	2	6
Education Service income	-	-	-	-	-	-	-	-	-
Income for graveyards & funerals	41	-	-	41	-	-	-	41	28
Other	3	-	-	3	302	-	302	305	74
	385	112	-	497	831	75	906	1,403	4,901
Other trading activities									
Social clubs	37	-	-	37	-	-	-	37	36
Fund raising - fetes etc	62	-	-	62	-	-	-	62	45
Rental income	872	-	-	872	80	26	106	978	809
	971	-	-	971	80	26	106	1,077	890
Investments									
Bank interest received	-	-	-	-	-	-	-	-	-
Dividend income	547	-	15	562	1	265	266	828	694
Rental and leasing income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	547	-	15	562	1	265	266	828	694
Other									
Gains and losses on sale of fixed assets	532	-	-	532	(2)	7	5	537	(365)
	-	-	-	-	-	-	-	-	(365)
TOTAL CHARITY INCOME 2022	6,152	236	15	6,403	924	523	1,447	7,850	10,501

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3.2 ANALYSIS OF INCOME – CHARITY
PREVIOUS YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2021 CHARITY TOTAL	2020
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
<i>Collections</i>	1,814	-	-	1,814	-	-	-	1,814	2,357
<i>Donations</i>	617	25	-	642	9	48	57	699	1,142
<i>Legacies</i>	309	203	-	512	11	661	672	1,184	330
<i>Special collections</i>	215	-	-	215	-	-	-	215	431
<i>Gift Aid</i>	468	-	-	468	1	-	1	469	507
<i>Other</i>	-	-	-	-	-	-	-	-	-
	3,423	228	-	3,651	21	709	730	4,381	4,767
Charitable activities									
<i>Grants received</i>	78	10	-	88	181	3,638	3,819	3,907	7,903
<i>Service charges receivable</i>	-	-	-	-	2	47	49	49	4
<i>Sale of candles, votive etc</i>	51	-	-	51	6	-	6	57	185
<i>Youth Service income</i>	-	-	-	-	69	-	69	69	331
<i>Insurance claim receipts</i>	13	-	-	13	-	593	593	606	404
<i>Income from chaplaincy</i>	80	-	-	80	-	-	-	80	95
<i>Subscriptions and other charges</i>	7	-	-	7	18	-	18	25	99
<i>Inter diocese re-charges</i>	-	-	-	-	6	-	6	6	-
<i>Education Service income</i>	-	-	-	-	-	-	-	-	193
<i>Income for graveyards & funerals</i>	28	-	-	28	-	-	-	28	29
<i>Other</i>	9	-	-	9	65	-	65	74	235
	266	10	-	276	347	4,278	4,625	4,901	9,478
Other trading activities									
<i>Social clubs</i>	36	-	-	36	-	-	-	36	78
<i>Fund raising - fetes etc</i>	45	-	-	45	-	-	-	45	172
<i>Rental income</i>	648	-	-	648	133	28	161	809	877
	729	-	-	729	133	28	161	890	1,127
Investments									
<i>Bank interest received</i>	-	-	-	-	-	-	-	-	-
<i>Dividend income</i>	449	-	14	463	1	230	231	694	942
<i>Rental and leasing income</i>	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-
	449	-	14	463	1	230	231	694	942
Other									
<i>Gains and losses on sale of fixed assets</i>	-	-	-	-	-	(365)	(365)	(365)	323
	-	-	-	-	-	(365)	(365)	(365)	323
TOTAL CHARITY INCOME 2021	4,867	238	14	5,119	502	4,880	5,382	10,501	16,637

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4.1 ANALYSIS OF EXPENDITURE – GROUP
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			GROUP TOTAL	2021
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Expenditure on raising funds:									
Parish fund raising events' costs	28	-	-	28	-	-	-	28	26
Other fund raising events' costs	-	-	-	-	38	2	40	40	36
Social club bar purchases	60	-	-	60	-	-	-	60	41
Social club other costs	145	-	-	145	-	-	-	145	97
Investment management costs	57	-	-	57	20	29	49	106	85
Rental property management costs	5	-	-	5	17	-	17	22	18
Other	-	-	-	-	-	-	-	-	67
	295	-	-	295	75	31	106	401	370
Expenditure on charitable activities									
Provision of places of worship & ancillary buildings	2,658	88	-	2,746	87	-	87	2,833	3,426
Provision of religious services & pastoral care	1,615	14	-	1,629	325	44	369	1,998	2,109
Support of education & youth services	-	-	-	-	850	4	854	854	12,154
Training of priests, deacons & seminarians	-	-	-	-	4	144	148	148	121
Support of retired priests	-	-	-	-	9	236	245	245	294
Grants, donations & levies	1,006	15	-	1,021	20	9	29	1,050	499
Other charitable activity costs	39	-	-	39	123	-	123	162	233
	5,318	117	-	5,435	1,418	437	1,855	7,290	10,987
Other									
	6	-	-	6	-	-	-	6	-
TOTAL GROUP EXPENDITURE 2022	5,619	117	-	5,736	1,493	468	1,961	7,697	11,357

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4.1 ANALYSIS OF EXPENDITURE – GROUP

PREVIOUS YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2021 GROUP TOTAL	2020
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Endowments</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>		
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Expenditure on raising funds:									
<i>Parish events fund raising costs</i>	26	-	-	26	-	-	-	26	48
<i>Other events fund raising costs</i>	-	-	-	-	36	-	36	36	17
<i>Social club bar purchases</i>	41	-	-	41	-	-	-	41	159
<i>Social club other costs</i>	97	-	-	97	-	-	-	97	208
<i>Investment management costs</i>	62	-	-	62	13	10	23	85	87
<i>Rental property management costs</i>	-	-	-	-	18	-	18	18	65
<i>Other</i>	12	-	-	12	55	-	55	67	7
	238	-	-	238	122	10	132	370	591
Expenditure on charitable activities									
<i>Provision of places of worship & ancillary buildings</i>	2,648	14	-	2,662	99	-	99	2,761	3,426
<i>Provision of religious service & pastoral care</i>	1,438	-	-	1,438	265	23	288	1,726	2,109
<i>Support of education & youth services</i>	-	-	-	-	708	4,656	5,364	5,364	12,154
<i>Training of priests, deacons & seminarians</i>	-	-	-	-	5	105	110	110	121
<i>Support of retired priests</i>	-	-	-	-	10	284	294	294	317
<i>Grants, donations & levies</i>	459	10	-	469	21	9	30	499	682
<i>Other charitable activity costs</i>	120	-	-	120	113	-	113	233	298
	4,665	24	-	4,689	1,221	5,077	6,298	10,987	19,107
Other									
	-	-	-	-	-	-	-	-	-
TOTAL GROUP EXPENDITURE 2021	4,903	24	-	4,927	1,343	5,087	6,430	11,357	19,677

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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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4.2 ANALYSIS OF EXPENDITURE -
CHARITY CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			CHARITY TOTAL	2021
	Unrestricted	Restricted	Endowments	Total	Unrestricted	Restricted	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure on raising funds:									
Parish fund raising events' costs	28	-	-	28	-	-	-	28	22
Other fund raising events' costs	-	-	-	-	-	-	-	-	3
Social club bar purchases	-	-	-	-	-	-	-	-	-
Social club other costs	-	-	-	-	-	-	-	-	-
Investment management costs	56	-	-	56	-	30	30	86	72
Rental property management costs	-	-	-	-	38	-	38	38	36
	84	-	-	84	38	30	68	152	133
Expenditure on charitable activities									
Provision of places of worship & ancillary buildings	2,657	88	-	2,745	87	-	87	2,832	2,762
Provision of religious services & pastoral care	1,614	15	-	1,629	325	44	369	1,998	1,726
Support of education & youth services	-	-	-	-	849	4	853	853	5,364
Training of priests, deacons & seminarians	-	-	-	-	4	144	148	148	111
Support of retired priests	-	-	-	-	9	236	245	245	295
Grants, donations & levies	1,006	15	-	1,021	20	9	29	1,050	497
Other charitable activities	39	-	-	39	121	-	121	160	136
	5,316	118	-	5,434	1,415	437	1,852	7,286	10,891
TOTAL CHARITY EXPENDITURE 2022	5,400	118	-	5,518	1,453	467	1,920	7,438	11,024

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4.2 ANALYSIS OF EXPENDITURE – CHARITY [PREVIOUS YEAR](#)

	PARISHES				CENTRAL DIOCESAN AGENCIES			2021 CHARITY TOTAL	2020
	Unrestricted	Restricted	Endowments	Total	Unrestricted	Restricted	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure on raising funds:									
Parish events fund raising costs	22	-	-	22	-	-	-	22	46
Other events fund raising costs	3	-	-	3	-	-	-	3	11
Social club bar purchases	-	-	-	-	-	-	-	-	-
Social club other costs	-	-	-	-	-	-	-	-	-
Investment management costs	62	-	-	62	-	10	10	72	76
Rental property management costs	-	-	-	-	36	-	36	36	59
	87	-	-	87	36	10	46	133	192
Expenditure on charitable activities									
Provision of places of worship & ancillary buildings	2,649	14	-	2,663	99	-	99	2,762	3,427
Provision of religious service & pastoral care	1,438	-	-	1,438	265	23	288	1,726	2,109
Support of education & youth services	-	-	-	-	708	4,656	5,364	5,364	12,153
Training of priests, deacons & seminarians	-	-	-	-	5	106	111	111	119
Support of retired priests	-	-	-	-	11	284	295	295	317
Grants, donations & levies	458	10	-	468	21	8	29	497	683
Other charitable activities	25	-	-	25	111	-	111	136	284
	4,570	24	-	4,594	1,220	5,077	6,297	10,891	19,092
TOTAL CHARITY EXPENDITURE 2021	4,657	24	-	4,681	1,256	5,087	6,343	11,024	19,284

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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5 EMPLOYEES AND OFFICE HOLDERS (including key management personnel)

The number of employees, which excludes clergy and volunteers, during the year was:-

	2022	2021
Central diocesan: administration and support services	12	11
Education Service	4	4
Youth Service including Castlerigg	11	11
Parochial	50	70
Clubs & centres	20	12
	97	108
The aggregate remuneration paid to employees was:-	£000	£000
Wages and salaries	958	988
Social security costs	42	39
Pension costs	40	37
	1,040	1,064
Amounts paid to clergy during the year:- for active ministry	355	403
retirement gratuities	193	195
	548	598

The number of employees who earned more than £60,000 (including benefits but excluding employer's national insurance and pension contributions) during the year was as follows

	2022	2021
£60,001 - £70,000	1	1
	1	1

Employees include administrative staff at both Diocese and Parishes, together with associated and related entities. Clergy are self-employed office holders and not employees.

Key personnel

The trustees consider the board of trustees as the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give their time freely, and no trustee receives any remuneration in respect of the work undertaken in the role of trustee. There are members of the board of trustees who are also clergy of the Diocese of Lancaster, and as with other members of the clergy receive a remuneration for the work they undertake in their clerical role only. These trustees are identified in the list of trustees on page 3 " Trustees and Advisors".

Details of trustees' expenses and related party transactions are disclosed in the notes the accounts. Trustees are required to disclose all relevant interests and register them with the diocesan secretary and in accordance with the trustees' policy withdraw from decisions where a conflict of may interest arises.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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6 TRUSTEES

No trustee received any remuneration during the year or previous year. Certain trustees received allowances as serving clergy but not in their capacity as trustee.

During the year 4 trustees (2021: 2) received expenses to the value of £1,918 (2021 £1,149) in respect of travel and subsistence costs in respect of their position as a trustee. With the easing of restrictions imposed relating to the Covid 19 pandemic, meetings have returned to in person with an increase in expenses claimed.

Trustees who are also serving clergy may receive expenses in connection with their clerical role. Any such expenses have not been quantified and are not included above.

7 NET EXPENDITURE

This is stated after charging:-	2022 £000	2021 £000
Depreciation	<u>26</u>	<u>15</u>
Audit	<u>26</u>	<u>26</u>

8 ALLOCATED SUPPORT COSTS

	Finance Office	Gift Aid & Special Collections	Pastoral Centre	Property Office	H&S	Governance	Group Total
	£000	£000	£000	£000	£000	£000	£000
Raising Funds	1	-	-	-	-	4	5
Charitable Activities:							
Provision of places of worship	19	5	4	35	11	14	88
Provision of religious services & pastoral care	9	9	18	10	4	3	53
Support of education & youth services	30	10	24	30	11	41	146
Training of priests, deacons & seminarians	1	-	-	-	-	2	3
Support of sick & retired priests	2	-	1	2	-	4	9
Grants, donations & Levies	2	3	1	3	-	7	16
Other charitable activity costs	2	-	1	1	-	1	5
	<u>66</u>	<u>27</u>	<u>49</u>	<u>81</u>	<u>26</u>	<u>76</u>	<u>325</u>

Basis of allocation

Governance and support costs are allocated on estimates of staff and trustees time spent on each charitable or other activity.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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9 TANGIBLE FIXED ASSETS

9.1 Group

	PARISHES				CENTRAL DIOCESAN AGENCIES				GROUP	2021
	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total		
	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £
Cost or valuation										
At the beginning of the year	37,117	42	1,063	38,222	6,874	20	118	7,012	45,234	46,993
Adjust b										
/f allocation	-	-	(16)	(16)	-	-	16	16	-	-
Additions	-	-	4	4	-	11	3	14	18	5
Disposals	(85)	-	-	(85)	-	(10)	(1)	(11)	(96)	(1,764)
At end of the year	37,032	42	1,051	38,125	6,874	21	136	7,031	45,156	45,234
Depreciation and impairments										
At beginning of the year	6,172	32	1,021	7,225	1,161	17	113	1,291	8,516	8,730
Eliminated on disposals	(17)	(8)	-	(25)	-	-	-	-	(25)	(229)
Depreciation	-	3	12	15	-	3	8	11	26	15
Impairment	-	-	-	-	-	-	-	-	-	-
At end of the year	6,155	27	1,033	7,215	1,161	20	121	1,302	8,517	8,516
Net book value										
Net book value at the beginning of the year	30,945	10	42	30,997	5,713	3	5	5,721	36,718	38,263
Net book value at the end of the year	30,877	15	18	30,910	5,713	1	15	5,729	36,639	36,718

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022
NOTES TO THE ACCOUNTS

9 TANGIBLE FIXED ASSETS

9.2 Charity

	PARISHES				CENTRAL DIOCESAN AGENCIES				CHARITY	2021
	Freehold land & buildings	Motor Vehicles	Fixtures, fittings and equipment	Total	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total		
	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £
Cost or valuation										
At the beginning of the year	36,914	42	965	37,921	6,873	20	135	7,028	44,949	46,693
Additions	-	-	-	-	-	11	3	14	14	3
Disposals	(85)	-	-	(85)	-	(10)	-	(10)	(95)	(1,747)
At end of the year	36,829	42	965	37,836	6,873	21	138	7,032	44,868	44,949
Depreciation and impairments										
At beginning of the year	6,172	34	961	7,167	1,161	16	112	1,289	8,456	8,659
Eliminated on disposals	(16)	-	-	(16)	-	(8)	-	(8)	(24)	(217)
Depreciation	-	2	2	4	-	3	9	12	16	14
Impairment	-	-	-	-	-	-	-	-	-	-
At end of the year	6,156	36	963	7,155	1,161	11	121	1,293	8,448	8,456
Net book value										
Net book value at the beginning of the year	30,742	8	4	30,754	5,712	4	23	5,739	38,493	38,034
Net book value at the end of the year	30,673	6	2	30,681	5,712	10	17	5,739	36,420	36,493

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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10 INVESTMENTS

	Market value at start of year	Costs of investments purchased	Proceeds of sale of investments	CIMV	Market value at end of year
	£000	£000	£000	£000	£000
Charity					
Equities & unit trusts	28,007	7,439	(9,141)	555	26,860
Fixed interest	5,614	2,033	(437)	636	7,846
	<u>33,621</u>	<u>9,472</u>	<u>(9,578)</u>	<u>1,191</u>	<u>34,706</u>
Cash	149				651
	<u>31,770</u>				<u>35,357</u>
Held for subsidiary entities	(2,150)			(72)	(2,222)
Held for third parties	<u>(22)</u>			<u>(1)</u>	<u>(23)</u>
Charity	<u><u>31,598</u></u>			<u><u>1,118</u></u>	<u><u>33,112</u></u>
Group					
Equities & unit trusts	28,059	7,451	(9,153)	554	26,911
Fixed interest	5,614	2,033	(437)	636	7,846
Held for third parties	<u>(22)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(23)</u>
	<u>33,651</u>	<u>9,484</u>	<u>(9,590)</u>	<u>1,189</u>	<u>34,734</u>
Cash	149				652
Group	<u><u>33,800</u></u>				<u><u>35,386</u></u>

The Diocesan Trust operates a pooled investment fund where investors hold units and do not invest directly in discrete holdings.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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11 DEBTORS & PREPAYMENTS

	GROUP		CHARITY	
	2022 £000	2021 £000	2022 £000	2021 £000
Gift Aid and Gift Aid Small Donation Scheme recoverable	346	401	346	401
Sundry debtors	466	822	229	815
Prepayments and accrued income	150	38	150	38
Loans to clergy	2	2	2	2
	964	1,263	727	1,256

An amount of £73,964 included in sundry debtors is being repaid by annual instalment of £18,491 each and therefore full repayment will be made within 4 years. All other debtors are receivable within one year.

12 CREDITORS & ACCRUALS

Amounts falling due within one year

Trade creditors	15	50	3	49
Accruals and deferred income	50	95	46	78
Taxation and social security	-	-	-	-
Other creditors	2,039	1,848	2,011	2,014
	2,104	1,993	2,060	2,141

Amounts falling due after more than one year

Other creditors	79	74	-	-
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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022
NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS – current year

	Opening balance 2021	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2022
Charity: Diocesan Central Agencies	£000					
Ecclesiastical Education Fund	5,384	118	(165)	(36)	155	5,456
Poor Missions Fund	2,044	48	(4)	(24)	61	2,125
Sick and Retired Priests Fund	5,403	216	(248)	125	110	5,606
Funds for Overseas Missions	9	-	-	-	-	9
Kirkham Church of St John and RC Purposes	321	8	(1)	(7)	11	332
Catforth, Thurnham & Westby Schools	88	2	-	1	2	93
St Ignatius Legacy	21	-	-	-	-	21
Diocesan Catholic Caring Fund	134	-	-	-	-	134
Good Shepherd Fund	53	6	(2)	-	-	57
Academy Support Grant	18	-	-	-	-	18
Newman School (Carlisle) Chapel Fund	104	-	(8)	(90)	-	6
Newman School Rebuilding Fund	65	-	(5)	-	-	60
Legacy (M Lawton)	-	41	-	-	-	41
Porticus Grant (Youth Service)	-	34	(34)	-	-	-
Diocesan Schools Singing Program	-	25	-	-	-	25
Mary Strand Trust	-	25	-	-	-	25
Sundry Funds (restated)	45	-	-	-	-	45
Total of diocesan agencies restricted fund	13,689	523	(467)	(31)	339	14,053

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13.1 RESTRICTED FUNDS (continued) – current year

	Opening balance 2021	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2022
Charity: Parishes						
St John Vianney & St Monica, Legacy	36	-	-	-	-	36
Our Lady of Eden, Carlisle, Reverend Turner legacy	18	-	-	-	-	18
Our Lady of Perpetual Help, Carlisle Restoration Fund	17	-	(1)	-	-	16
St Mary, Fleetwood, legacy	193	-	-	-	-	193
St Mary, Fleetwood, Local Authority grant		81	(74)			7
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund	37		(3)	-	-	34
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth	9	26	(14)	(2)	-	19
Refugee support projects (various parishes)	65	3	(12)	-	-	56
Workington Stella Maris Project	78	44	-	-	-	122
Workington, Legacy	-	20	-	-	-	20
St Thomas, Clayton, legacy	-	10	-	-	-	10
St Mary & St James, Scorton, Legacy	-	10	-	-	-	10
St Mary, Hornby, Lottery Community Grant	-	10	(1)	-	-	9
St Joseph, Lancaster, Bells Restoration & HLF Grant	-	32	(13)	(19)	-	-
Total of parish restricted funds	453	236	(118)	(21)	-	550
Charity total: all restricted funds 2022	14,142	759	(585)	(52)	339	14,603
Group total 2022: all restricted funds	14,142	759	(585)	(52)	339	14,603

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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13.1 RESTRICTED FUNDS – [previous year](#)

	Opening balance 2020	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2021
	£000	£000	£000	£000	£000	£000
Charity: Diocesan Central Agencies						
Ecclesiastical Education Fund	4,290	209	(122)	(28)	1,035	5,384
Poor Missions Fund	1,634	41	-	(40)	409	2,044
Sick and Retired Priests Fund	4,540	380	(294)	75	702	5,403
Funds for Overseas Missions	9	-	-	-	-	9
Kirkham Church of St John and RC Purposes	248	7	-	(9)	75	321
Catforth, Thurnham & Westby Schools	70	2	-	-	16	88
St Ignatius legacy Fund	21	-	-	-	-	21
Diocesan Catholic Caring Fund	134	-	-	-	-	134
Good Shepherd Fund	57	3	(7)	-	-	53
Academy Supper Grant	18	-	-	-	-	18
Newman School (Carlisle) Chapel Fund	84	25	(5)	-	-	104
Newman School Rebuilding Fund	508	4,213	(4,656)	-	-	65
Sundry Funds (restated)	48	-	(3)	-	-	45
	11,661	4,880	(5,087)	(2)	2,237	13,689
Charity : Parishes						
Our Lady of Furness, Barrow: grant	10	-	-	(10)	-	-
St John Vianney & St Monica, Legacy	50	-	(14)	-	-	36
Our Lady of Eden, Carlisle, Reverend Turner legacy	18	-	-	-	-	18
Our Lady of Perpetual Help, Carlisle (formerly Our Lady & St Wilfrid, Warwick Bridge, Carlisle), Restoration Fund	6	11	-	-	-	17
St Mary, Fleetwood, legacy	-	193	-	-	-	193
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund	40	7	(10)	-	-	37
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth	-	9	-	-	-	9
Refugee support projects (various parishes)	52	4	-	9	-	65
Workington Stella Maris Project	-	14	-	64	-	78
	176	238	(24)	63	-	453
Charity total 2021	11,837	5,118	(5,111)	61	2,237	14,142
Group total 2021	11,837	5,118	(5,111)	61	2,237	14,142

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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Purpose of restricted funds

The specific purposes for which the funds are to be applied are as follows:

Diocesan Central Agencies

Ecclesiastical Education Fund	Training of priests and deacons of the diocese.
Poor Missions Fund	Support of poor parishes of the diocese.
Sick and Retired Priests Fund	Financial and medical care of sick and retired clergy of the diocese.
Funds for Overseas Missions	Support for overseas missions at the discretion of the Bishop.
Kirkham Church of St John and RC Purposes	The provision and maintenance of resources and facilities for the people of Kirkham for the pursuit of the Roman Catholic religion, through the church of St John The Evangelist, Kirkham.
Catforth, Thurnham & Westby Schools	The provision and maintenance of resources and facilities for the people of Catforth, Thurnham and Westby for the pursuit of the Roman Catholic religion in these areas and educational purposes.
St Ignatius Legacy Fund	Legacies received and previously held as general parish funds which were given for the upkeep of the parish property now in the Canonical ownership of the Diocese.
Diocesan Catholic Caring Fund	To provide support for diocesan sponsored caring activities.
Good Shepherd	To assist diocesan projects that aim to support the poor and disadvantaged, particularly the young and those with special needs.
Academy Support Grant	To assist with costs of setting up school academy trusts.
Newman Chapel Fund	To meet costs of the construction and fittings etc of a new chapel at Newman School, Carlisle.
Newman School	Application of insurance and grant money received to assist with the purchase of a new site, contribution towards construction costs of a new school and any other costs associated with the project and to assist the governors with certain costs associated with operating from a temporary site.
Sundry Funds	For the purposes of those funds.

Parishes

Our Lady of Furness, Barrow: grant	To fund buildings maintenance programs.
St John Vianney & St Monica, Legacy	For the parish building fund.
Our Lady of Eden, Carlisle, Reverend Turner legacy	For the refurbishment/rebuilding of the St Ninian's Chapel, Brampton, Carlisle.
St Mary, Fleetwood, Legacy	For the saying of Masses for the nominated family members (name not published for privacy)
Our Lady & St Wilfrid, Warwick Bridge, Carlisle, Restoration Fund	For the restoration of the church of Our Lady & St Wilfrid, Warwick Bridge, Carlisle.
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund	Benefitting the poor and needy parishioners of the parish of St Wulstan & St Edmund's, Fleetwood, Lancashire.
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth	Grant received to help towards cost of external repairs to the church.
Christ the King, Workington, Stella Maris	To fund repairs works to the church of Our Lady and St Michael, Workington
Refugee support projects (various parishes)	To support Syrian refugee families.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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13.2 PERMANENT ENDOWED FUNDS

	Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
	£000	£000	£000	£000	£000	£000
Charity - Lancaster Capital Common Investment Fund	621	15	-	(15)	23	644
Group - Lancaster Capital Common Investment Fund	621	15	-	(15)	23	644
<i>Previous year</i>						
<i>Charity</i> - Lancaster Capital Common Investment Fund	470	14	-	(14)	151	621
<i>Group</i> - Lancaster Capital Common Investment Fund	470	14	-	(14)	151	621

The Lancaster Capital Common Investment Fund represents the endowment fund held by the Charity.

As a direct result of the further scheme of the Charity Commission dated 2 May 2000 (applied on this date but sealed 6 November 2000), as mentioned earlier in the Trustees' Report – Investment Powers, the trustees have transferred a portion of general reserves and reclassified these as an endowment fund "Lancaster Capital Common Investment Fund".

13.3 PARISH GENERAL FUNDS (including designated funds)

	Opening balance	Income	Expenditure	Transfers	Unrealised gains/losses on investments	Closing balance
	£000	£000	£000	£000	£000	£000
Charity	64,541	6,152	(5,400)	(817)	754	65,230
Group	64,693	6,395	(5,619)	(824)	754	65,399
<i>Previous year</i>						
<i>Charity</i>	59,445	4,867	(4,657)	(273)	5,159	64,541
<i>Group</i>	59,730	4,981	(4,903)	(273)	5,158	64,693

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13.4 DIOCESAN GENERAL FUNDS (including designated funds)

	Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
	£000	£000	£000	£000	£000	£000
Charity	342	924	(1,453)	884	2	699
Group	2,738	998	(1,493)	889	73	3,205

Previous year

<i>Charity</i>	859	502	(1,256)	226	11	342
<i>Group</i>	2,896	563	(1,343)	226	396	2,738

13.5 DESIGNATED FUND (included in general funds)

	Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
	£000	£000	£000	£000	£000	£000
Charity: Diocesan central agencies						
Evangelisation	347	8	(63)	-	-	292
Newbridge House	96	-	-	-	-	96
Vocations	21	-	-	-	-	21
Special collections	49	-	-	-	-	49
	513	8	(63)	-	-	458
Parishes none		-	-	-	-	
Charity total	513	8	(63)	-	-	458
Group total	513	8	(63)	-	-	458

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[Previous year](#)

Charity: Diocesan central agencies

	£000	£000	£000	£000	£000	£000
<i>Evangelisation</i>	402	12	(67)	-	-	347
<i>Newbridge House</i>	103	-	(7)	-	-	96
<i>Vocations</i>	21	-	-	-	-	21
<i>Special collections</i>	49	-	-	-	-	49
	575	12	(74)	-	-	513
Parishes none	-	-	-	-	-	
Charity total 2020	575	12	(74)	-	-	513
Group total 2020	575	12	(74)	-	-	513

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14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

14.1 GROUP

	PARISHES GROUP BALANCES				CENTRAL DIOCESAN AGENCIES GROUP BALANCES			GROUP	2021
	Unrestricted Funds	Restricted Funds	Endowment	Total	Unrestricted Funds	Restricted Funds	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Fixed assets	30,910	-	-	30,910	4,976	753	5,729	36,639	36,718
Investments	22,150	-	644	22,794	2,320	10,272	12,592	35,386	33,800
Stock	10	-	-	10	3	-	3	13	14
Debtors	702	-	-	702	262	-	262	964	1,263
Cash at bank and in hand	8,720	550	-	9,270	1,543	2,219	3,762	13,032	12,466
Creditors: amounts falling due within one year	(484)	-	-	(484)	(1,620)	-	(1,620)	(2,104)	(1,993)
Creditors: amounts falling due after more than one year	(79)	-	-	(79)	-	-	-	(79)	(74)
Internal balances:									
Loans	(2,063)	-	-	(2,063)	2,063	-	2,063	-	-
Diocesan bonds	5,533	-	-	5,533	(6,342)	809	(5,533)	-	-
NET ASSETS	65,399	550	644	66,593	3,205	14,053	17,258	83,851	82,194

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14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

14.2 Charity

	PARISHES				CENTRAL DIOCESAN AGENCIES			CHARITY	2021
	Unrestricted Funds	Restricted Funds	Endowment	Total	Unrestricted Funds	Restricted Funds	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Fixed Assets	30,681	-	-	30,681	4,986	753	5,739	36,420	36,493
Investments	22,150	-	644	22,794	46	10,272	10,318	33,112	31,598
Stock	-	-	-	-	3	-	3	3	1
Debtors	689	-	-	689	38	-	38	727	1,256
Cash at bank and in hand	8,680	550	-	9,230	1,525	2,219	3,744	12,974	12,439
Creditors: amounts falling due within one year	(440)	-	-	(440)	(1,620)	-	(1,620)	(2,060)	(2,141)
Creditors: amounts falling due after more than one year	-	-	-	-	-	-	-	-	-
Internal balances:									
Loans	(2,063)	-	-	(2,063)	2,063	-	2,063	-	-
Diocesan bonds	5,533	-	-	5,533	(6,342)	809	(5,533)	-	-
NET ASSETS	65,230	550	644	66,424	699	14,053	14,752	81,176	72,646

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15 CONTINGENT LIABILITIES

In the opinion of the trustees there were no contingent liabilities in existence, other than in the normal course of the activities of the charity, as at 5th April 2022 or at 5th April 2021.

16 RELATED PARTY TRANSACTIONS

Due to the nature of the charity's operations and the composition of the trustee body, it is inevitable that transactions will take place with organisations in which a member of the trustees may have an interest. Such transactions involving organisations in which a member of the trustee body may have an interest are conducted at arm's length.

Following his appointment as Bishop of Lancaster in April 2018, Right Reverend P Swarbrick holds positions on non-diocesan bodies, including Ushaw College.

The diocese holds one of nine £1 ordinary shares issued by Inter-Diocesan Fuel Management Limited (IFM), a company set up in conjunction with eight other dioceses in order to obtain competitively priced energy for diocesan properties. The profits of the company are covenanted to the participating dioceses under Deed of Covenant. The majority of all fuel payments are made through the IFM bulk buying scheme.

At 5th April 2022 an amount of £73,965, unchanged, (2021 £92,456) was owing to the diocese from IFM in respect of overpaid contributions and is disclosed in the accounts under other debtors.

At the 5th April 2022 an amount of £71,100, (2021 £135,213) was owed to IFM from individual parishes and other bodies in respect of fuel charges and is disclosed under other creditors. See note 12.

The Blessed Edward Bamber Catholic Multi Academy Trust (BEBCMAT) and Mater Christi Multi Academy Trust (Mater Christi) are considered as related parties as both the Roman Catholic Bishop of Lancaster and the Lancaster Roman Catholic Diocesan Trustees Register are members of BEBCMAT and Mater Christi.

During the year the Diocesan Education Service received the following amounts from BEBCMAT:

	<u>2022</u>	<u>2021</u>
	£	£
<u>BEBCMAT</u>		
Inspection fees	1,190	-
Training & conference fees	-	-
Building support services		-
School governance support service	17,682	18,221
Academy support services		-
<u>Mater Christi</u>		
Inspection fees	2,000	-
Training & conference fees	5,090	-
Building support services	-	-
School governance support service	16,535	-
Academy support services	10,500	-
Academy Conversion charge	8,000	

17 HERITAGE ASSETS

The diocese, via its parishes, holds work of art, historic treasures, plate and similar items which are not capitalised in these accounts. In the opinion of the trustees these are considered to be historical assets which are integral to the charity's overall objectives of advancing the Roman Catholic religion and do not fall under the definition of heritage assets.

Accounts

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5 APRIL 2021



Registered charity number 0234331

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TRUSTEES AND ADVISORS

The Charity is governed by a Trust Deed dated 31 July 1934 (as subsequently amended by schemes of the Charity Commission) and is registered by the Charity Commission of England and Wales as charity number 234331. The Diocese was created by the Holy See in 1924, the northern area formerly having been within the Diocese of Hexham and Newcastle and the southern area having been within the Archdiocese of Liverpool.

Address

Lancaster Roman Catholic Diocesan Trust
The Pastoral Centre
Balmoral Road
Lancaster
LA1 3BT

Trustee

The sole trustee is the Lancaster Roman Catholic Diocesan Trustees Registered a body incorporated under the Charitable Trustees Incorporation Act 1872 (now Part 12 of the Charities Act 2011).

The individuals appointed to the corporate trustee body and known as trustees are:

Who served during the year

Right Rev Bishop P Swarbrick
Rev M Docherty
Rev Canon P Embery
Rev Canon P Hart
Rev F Olaseni
Sister R Thomas
Mr P Briers
Mr M Callagher
Mr M Forrest
Ms N Wisdom

Financial Administrator

Reverend Canon P Hart

Secretary

Ms K Heaton-Brown

Auditors

MHA Moore & Smalley
Richard House
9 Winckley Square
Preston
PR1 3HP

Solicitors

BSG Solicitors
3 & 4 Aalborg Square
Lancaster
LA1 1GG

Investment managers

Quilter Cheviot
One Kingsway
London
WC2B 6AN

Bankers

HSBC Bank plc
35 Market Street
Lancaster
LA1 1JQ

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REPORT OF THE TRUSTEES

Aims and objectives

The principal purpose of the charity is the furtherance of the Catholic religion within the Diocese of Lancaster. This is achieved by such charitable purposes as the Bishop of Lancaster, in his absolute discretion, shall think fit in accordance with the Trust Deed, the principal objectives of which are as follows:

- The provision, maintenance and upkeep of churches, public chapels and presbyteries.
- The provision of religious services in these churches and public chapels.
- The provision and maintenance of houses and colleges for the education and training of priests and persons wishing to become priests.
- The maintenance, support and provision of medical and surgical aid and accommodation for infirm and aged priests and the burial of deceased priests.
- The provision of support for priests and clerics working in the Diocese. The relief of poor persons professing the Roman Catholic Religion.
- The provision and maintenance of schools and colleges for young people.
- The provision and maintenance of houses, study halls and residences for teachers.
- The provision and upkeep of accommodation for infirm or aged priests.
- The provision and maintenance of cemeteries.
- The provision and maintenance of parish rooms and halls for the enlightenment, education and religious and moral benefit of people of the diocese.
- The provision and maintenance of hospitals and sanatoria for the poor.
- The acquisition of sites for buildings in connection with the above.
- Generally for any such charitable purposes as, in the opinion of the Bishop, may be conducive to the advancement or maintenance of the Roman Catholic religion in the Diocese of Lancaster.
- Such charitable purposes as shall advance the religious and other charitable work of the Diocese as the trustees with the approval of the Bishop shall from time to time think fit. If at any time the Diocese shall cease to exist or there shall cease to be any religious or other charitable work carried on by the Diocese, then for such other lawful charitable purposes connected with the advancement of the Roman Catholic religion as the trustees shall determine.

Organisation, governance and decision-making

The Diocese of Lancaster has at present 73 parishes with regular services available in around 100 churches and chapels and 82 schools throughout the whole of the county of Cumbria and those parts of Lancashire, north of the River Ribble and the west of the Pennines. The communities served by the charity are quite diverse, and include towns/cities in Cumbria such as Barrow, Workington, Carlisle and Whitehaven and the whole of the Lake District. In urban areas, parishes might be just a few square miles in size, whereas in the more rural parts of Cumbria parishes can be 200+ square miles. In Lancashire the coastal resorts of Blackpool and Morecambe fall within our boundaries, as does the city of Preston.

Although a clear structure of accountability and authority exists within the Catholic Church, as far as possible, day-to-day decision-making and actual pastoral practice takes place at local level in accordance with diocesan policies and wider Church beliefs. Individuals are encouraged to be involved with the delivery and planning of the services that our parishes provide to local communities. Parishes are, for example, expected to have various committees to advise priest-leaders on finance and property as well as the care of the charity's beneficiaries. As there are declining numbers of priests in this country, local communities are increasingly taking a greater responsibility in the running of their parishes. Whilst the trustees of the charity have overall responsibility in civil law matters, many of these local committees are constituted in Church Law, and act in an advisory capacity to Parish Priests/Priests in Charge; however their work to support their Parish Priests/Priests in Charge and the trustees in their own responsibilities is invaluable.

Meetings of the board of trustees, at which the operation of the charity is discussed, are held every two months. Although overall governance is vested with this body, its decision-making is informed by the work of sub-committees through their regular reports. Trustees play a significant role on each of the charity's main sub-committees.

The principle sub-committees are:

Trustees' Safeguarding Sub-Committee

The diocese and its trustees are committed to safeguarding children, young people and adults at risk in accordance with civil and national Church guidelines.

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The Lancaster Safeguarding Commission has been disbanded and a sub-committee of the Trustees formed in its place to oversee safeguarding matters in accordance with recommendations arising from the recent ICSSA enquiry into historic sexual abuse. The diocese is working towards full compliance with the newly developed national catholic safeguarding standards. The Safeguarding Sub-Committee will oversee the necessary governance arrangements in order to monitor that procedures are followed and best practise is developed and maintained. The diocese will be subject to audit by the National Catholic Standards Agency (CSSA) which has regulatory, advisory and audit functions.

Day to day safeguarding work is undertaken by the Diocesan Safeguarding Coordinator whose responsibilities include: oversight of the creation and continuation of a safe environment throughout the diocese; responding when concerns are raised and undertaking the necessary liaison with statutory agencies; supporting those hurt by abuse and managing those church personnel who have caused harm. Each parish has one or more safeguarding representatives.

Finance Sub-Committee

This committee, which is supported by a Certified Accountant who is a diocesan officer, monitors the day to day financial activities of the charity, particularly its liquidity and financial health, setting and controlling the central diocesan budget, and monitors delegated expenditure by parishes (up to £8,000 per project or item). The diocesan office, that this committee supervises, processes most of the charity's Gift Aid claims and the 'annual financial returns' submitted from parishes and other bodies; these are then consolidated into these main charity accounts. The charity's strategies against fraud (and possible bribery) also sit with this committee. The committee does not of itself currently have delegated spending powers; it is also responsible for liaising with the charity's external auditors. The Finance Committee in conjunction with the Property Committee is delegated to approve expenditure on individual property maintenance projects costing up to £25,000. Both committees must agree otherwise the matter is to be referred to the board of trustees.

Property and Health & Safety Sub-Committee

This committee is supported by a qualified surveyor, who is also a diocesan officer, examines and makes judgment on the appropriateness, and the value for money of, property projects submitted by the trustees, or parishes of the diocese. Again, parishes must come to the trustees with any projects over £8,000 in value. The committee also examines proposed leases, and land sales or purchases in accordance with best practice and Charity Law. Currently, all proposed leases (and projects over £8,000) are ratified by the full trustee body. The Property Committee in conjunction with the Finance Committee is delegated to approve expenditure on individual property maintenance projects costing up to £25,000. Both committees must agree otherwise the matter is to be referred to the board of trustees.

This sub-committee ensure that the statutory duties under the Health and Safety at Work Act 1974 and other relevant statutory instruments are met within the Diocese of Lancaster. It will represent the diocese on health and safety and act to protect the health and safety of the clergy, diocesan employees and other people who might be affected by their business within the Diocese of Lancaster. We continue to develop the computerised system introduced across the diocese for the evaluation, monitoring and reporting of health and safety at each "site" operated. Training and health and safety advice and support is provided with this system.

Investment Sub-Committee

Members are drawn primarily from the Finance Sub-Committee and the diocesan Faith and Justice Commission. This sub-committee is responsible for setting policy and monitoring performance of the charity's investments, most of which are designated to individual parishes, but are under the control of the charity in civil law. The portfolio of investments is managed externally by Quilter Cheviot. The charity was one of the first Catholic dioceses to introduce an ethical and socially responsible investment strategy, and it uses an ethical screening service to this end. The portfolio manager issues a quarterly report of investment performance and an ethical screening report twice yearly as well as meeting face-to-face annually. The investment manager ensures that he portfolio complies with the Diocesan Ethical Policy. The charity is a member of the Church Investors Group (CIG), a collective of faith-based investors seeking to pro-actively engage with companies regarding their own corporate and social responsibilities, rather than just simply avoiding investing in them.

Board of Education and Formation

The Education Service supports 83 schools to ensure that they are successful and act in accordance with the Trust Deed of the Diocese. This involves offering advice and direction on a broad range of educational matters such as, Religious Education and curriculum issues, Catholic Life of a school, staffing and recruitment, governance, admissions, capital and academy developments. The Diocesan Schools Commissioner works closely with the Catholic Education Service, the Regional Schools Commissioners (North and North West), Parishes, Local Authorities, and the Department for Education to secure the best support for the schools of the Diocese, especially in the ongoing pandemic.

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Our Catholic schools and sixth form college have an important part to play in the mission of the Church. Our Diocesan schools make a strong contribution to education in Cumbria and North Lancashire. They exist so that the Gospel of Jesus Christ is announced to future generations. As Bishop Paul Swarbrick says, "Our Catholic schools have been the bedrock of our mission to make Jesus Christ known and loved in our communities for nearly two centuries. The past two years have highlighted how vital our schools are and how their work and witness reveal Jesus Christ's presence in their locality. Our schools are an integral and critical part of the Diocese of Lancaster's mission".

School Buildings Committee

This monitors the repair and development budgets for school buildings in the diocese, which are part of the voluntary sector. In the voluntary sector, building work is commissioned by the governors/schools with the State paying up to 90% of eventual costs in grant-aid. This is provided in the form of an annual budgeted amount of 'VASCA' money, which is then bid for by schools through a local committee process, aided by a professional officer, so as to prioritise projects according to need, and to ensure best value for the taxpayer.

Diocesan Youth Service Management Group

Currently two trustees serve with others on this committee which oversees the direction and management of our Diocesan Youth Service. Youth Service staff co-ordinate and train volunteers in the parishes, and assist with the organisation of events for young people, including the diocesan pilgrimage to Lourdes where our youngsters learn to work with elderly, sick and disabled individuals and groups. The residential diocesan youth centre at Castlerigg in Keswick, which has been open for more than 40 years, draws together young people from schools and parishes from all over the Diocese and beyond – supporting both Catholics and those not of our tradition alike. The centre helps educate young people in order to develop their physical, mental, moral and spiritual abilities so that they grow up to enable them to contribute positively to society as well as helping them achieve their potential as human beings.

Other diocesan commissions and agencies

See below for information on other diocesan commissions and agencies.

Trustees

In accordance with clause 15 of the Trust Deed, new trustees are appointed by resolution of the trustees but only with and subject to the approval of the Bishop of Lancaster. Trustees are appointed with a view to the overall needs of the Diocese, and also taking into account their skills and backgrounds. Recruitment is undertaken internally or externally whenever a vacancy arises, or at any time, so as to ensure there is an appropriate pastoral and professional representation including educational, finance, accountancy, legal and property experience. Trustees are not expected to have knowledge of all the operations of the charity upon appointment, but will learn about these through the way trustees' meetings are conducted as well as by serving on sub-committees. The responsibilities of trustees in law are clearly explained on the Charity Commission website, and training opportunities are offered as appropriate; though it is appreciated that many trustees are already in full-time employment.

The central administration of the charity has paid qualified staff supporting the work of the trustees. There are also a large number of volunteers working at every level within the charity, many of whom have considerable professional experience. We estimate (broadly) that volunteers provide a full-time equivalent of 75 employees, representing a donation of time equivalent to at least £1.5m throughout each year.

Subsidiary entities

The charity has a number of subsidiary charities and limited liability companies that it controls. Details of these are given in note 2. The subsidiary charities have similar aims to those of the Diocese of Lancaster. The limited companies carry out trading activities mainly that of social centres and clubs. The financial results of all of these subsidiary entities are consolidated into the group accounts.

Investment powers, policy and performance

The trustees' investment powers are governed by the Trustees Act 2000. By an Order of the Charity Commission dated 10th January 1996, the trustees were empowered to delegate certain management and dealing authority to their investment manager Quilter Cheviot. Investments generally comprise a mix of UK FTSE 350 equities, UK gilts, cash and unit trusts. Individual investments conform to the Trustees Investment Policy which includes criteria established in accordance with the Diocesan Ethical Investment Policy which is reviewed regularly. The return on investments in recent years has been good when considered against comparable benchmarking. The trustees are satisfied that the capital performance and income generated are more than satisfactory and meet our current needs and strategies.

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It is noted that bank interest on cash balances has remained at an historic low for a period of years. As the charity is a net 'saver' rather than 'borrower' this has impacted on income generation from investments and reserves. The charity, however, has continued to perform relatively well.

Covid 19

Pastoral

Although the pastoral ministry of the church was curtailed when churches were closed and due to other restrictions put in place to combat the pandemic, the life of the Church has continued. It has not stopped. Practices and procedures had to be adapted with safety procedures introduced and followed to keep clergy, staff, parishioners, other service users and the wider public safe. When churches re-opened safe procedures continued and are still in place as appropriate and to comply with any restrictions in place. Many churches services were moved on line using streaming platforms and social media during lockdown. There has been increased use of "online" or "virtual" methods of contact for a variety of parish and other church activities and meetings. All churches have now re-opened following appropriate safety protocols with a reduced online presence.

Priests continue to safely visit the sick and dying in person, conduct funeral services for the deceased and administer the Sacraments were possible and permitted. Weddings and baptisms also have resumed.

The Church has continued its good work of helping and supporting the poor and disadvantaged. It remains "there" for all. Many parishes have continued to run or support local food banks, the need for which has increased during the pandemic and which the church has been committed to for a long time.

Schools and Education

The pandemic's effects on Diocesan schools created many challenges and demands, especially for headteachers. Schools remained open to the key worker and vulnerable children throughout. Since March 2020 they have become centres for distributing food parcels, school meal vouchers and welfare support. More recently they have mastered remote teaching of students and distributed laptops, tablets and data to those who need additional support. Caring for mental health and helping children and their families to find ways to live well is also central to their work. It is fair to say that headteachers have carried a considerable workload, especially in the primary sector. Even those who needed to shield themselves or a family member remained at the heart of their school, planning, supporting staff and students.

The Diocesan Education service prepared well for home working before the first lockdown happened ensuring all staff had access to laptops and the IT support they needed to work from home and established a Zoom account that enabled meetings to continue the transition towards home working.

The Education Service has maintained close contact with headteachers throughout through emails to check on their welfare and held frequent 'Zoom' catch up meetings to support headteachers' welfare. Heads have appreciated the connection. We have also been a conduit for information from the DfE and CES, shared updates of RE resources and prayer resources to support home learning. We have also maintained a presence on Twitter and helped circulate information from parishes, where we have been made aware of what is happening. Generally, the Education Service has been praised for the support it has offered. Heads, especially new heads, have welcomed the personal contact and that they could pick up the telephone anytime to ask questions or just for moral support.

Financial

The immediate financial impact of the Covid 19 pandemic was the loss in value on the Diocesan Pooled Investment Fund and the loss of Mass Offertory income and other voluntary donations.

The value of the Pooled Investment Fund fell heavily during March and early April 2020 and then steadily recovered and at 5 April 2021 the value of the charity's investment was £31.60m. An unrealised gain for the charity for the year ended 5 April 2021 of £7.56m compared to a loss of £4.16m for the previous year. Investment values continued to increase post year end stood at circa £37m December 2021.

Although investment value have recovered, estimates of future investment income returns are down. There was a significant fall in charity investment income received which fell from £924k in 2020 to £694k. Future investment income returns are expected to be reduced at least in the short term.

Mass Offertory income was hard hit when all churches were closed to public worship from the end of March 2020 as a result of the introduction of the first national lockdown. Around 40% of Offertory income was received in cash pre

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pandemic. The total of Mass offertory income received during the year to 5 April 2020 was £140k lower than that received during the previous year. The Mass Offertory income for 2021 was circa £0.5 million lower than for 2020. The closure of churches towards the end of the March 2020 and for much of the early part of the 2020/21 financial year is a major contributory factor in this reduction in income.

On the re-opening of churches Mass attendance was low and gradually increased as confidence returned. The picture across the diocese is varied with some church attendance back to "normal" and for other it continues to be reduced. The overall attendance across the diocese is reduced, impacting on the total income received (lower) though it has not yet been possible to quantify this.

When churches were closed alternative ways to cash giving were re-visited and the use of standing orders has been encouraged. Methods of electronic giving has also been considered and trialed. This is an area that is to be explored further. Standing orders are seen as the most effective way of giving.

Cost were reduced as a direct result of church closures with savings in running costs such as heating and lighting. There was a temporary moratorium on property expenditure and many parishes postponed all but necessary expenditure on buildings on a temporary basis.

The diocese is fortunate that it had a strong cash base at the start of the pandemic and has been able to maintain this. The vast majority of parishes have been able to keep their heads above water financially and continue to be able to support their local community.

The charity has had very limited access to financial support from national and local government. In most cases did not meet the qualifying criteria. Some use of the job retention scheme has been made primarily by the Diocesan Youth Service, with a very small number of parishes also benefiting from this scheme. Most parish have not received any financial assistance from government sources either local or national.

Governance and administration

The diocese has been able to make full use of technology to continue to govern and administer the charity remotely as necessary and in compliance with regulations. A full program of meetings of the Board of Trustees and its various sub-committees and management groups have continued uninterrupted with the vast majority of these held virtually and without any reduction in the effectiveness of those meetings. Canonical governance has also been carried out virtually.

All diocesan administrative staff have been able to work from home with some additional IT equipment required. No curia staff were furloughed and all have been fully engaged and their work continued uninterrupted and to the same standard and effectiveness.

Meetings had returned to mostly in person meetings with some use of virtual meetings, but the rise of the Omicron variant resulted in most meeting reverting to virtual method temporarily. Administrative staff have been allowed a "blended" approach to working with some opting to work a mixture of office based and home working with others returning full time to office based.

Planning for the future

In line with many other Catholic dioceses in England and Wales, the charity is facing the issue of how best to deliver its services for stakeholders against the backdrop of declining numbers at church. Buildings for worship were often constructed in years gone by when demographics were quite different to today and when the principles of design were also quite different.

Our church buildings and parish communities have a special place in the hearts of many Catholics; therefore the capacity to adapt to changing circumstances does not always come easy, and the Bishop together with the trustees recognise this when plans for the future are being considered. An important strategic review document, formed after extensive consultation, 'Fit for Mission?' remains the blueprint for many of the changes that necessarily have to take place.

Our schools however remain popular, with overall pupil numbers broadly static. Many of our schools serve areas of relative social deprivation. We also have well-used church halls across the diocese, many of which are used by the wider community for non-religious use.

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Review of activities – general

The activities of the charity are carried out in three main areas: parishes, schools and diocesan. All are directed towards promoting the Faith and spreading the Word of God. Although most direct contact with beneficiaries is via parishes and schools there is a significant amount provided by the diocese which also provides support to the schools and parishes. It is difficult to quantify the Spiritual “success” of these activities but most parishes remain well supported despite the overall decline in Mass attendance and the number on roll at schools remain high. It is also difficult to gauge the financial benefit of activities. How can the “success” of rich and poor parishes be compared?

Review of activities - parishes

Most of the charity's beneficiaries' contact with the charity is at local level; that is our parishes. The reach and impact of parish ministry includes contact with people in schools, hospitals, higher education establishments and prisons. As well as religious services, parishes provide many additional activities including youth groups, social groups, and important support for some of the most vulnerable in our society.

Practical support for those in need, both at home and abroad, feature prominently in the regular activities of many parishes. Although many parish activities nourish those who attend church or are closely connected to it, the evangelising nature of the Gospel imperative and the call to service mean that our parishes are also outward-looking communities with a sense of contributing to the common good of the wider community and building-up 'social capital'. Parishes have a degree of autonomy within the charity, not least because locally delivered services are best planned and delivered by local people. Each parish has its own bank account and is responsible for its own income and expenditure, according to the principle of subsidiarity. Financial records are also kept locally, with annual financial returns being submitted. Independent Financial Examiners are appointed in each parish and a number of parishes are randomly selected for more detailed external audit each year. All bank balances and account transactions can be viewed centrally for monitoring purposes, with an alert system in place for any unusual or significant transactions.

There are around 59 priests working in the diocese, together with 9 priests on loan to us from elsewhere. We have approximately 35 retired priests for whom we care. Some priests and sisters from religious communities have a presence in the diocese, either working with the charity or doing similar work under their own auspices.

The Diocese has undertaken a number of initiatives to welcome more religious priests and sisters to minister in our community. Their presence in the Diocese adds a new and vibrant element which will be beneficial to the Diocesan Family. Any overseas religious coming to the Diocese comply with all immigration and safeguarding requirements.

The diocese is aware that immigration is an important national issue, and always seeks, as a recognised Level 1 Sponsoring Body, to only invite an appropriate number of individuals into the country. These have clearly defined religious roles and the diocese undertakes to provide for their upkeep. Thanks are due to the United Kingdom Visa and Immigration Office for the role they play. It should be noted that such invitations are to complement the work done by indigenous priests and religious communities, not replace it. Our strategy for promoting vocations to priesthood remains at the forefront of our minds, though it is recognised that this 'career' does not fit neatly into usual 'recruitment' models or remuneration packages.

Review of activities - diocese

In addition to the principal trustees' sub-committees listed above, diocesan structures exist to support and implement the decisions of the trustees generally, and the Bishop specifically. These include a range of committees, service delivery bodies, advisory boards and commissions to provide assistance to the Bishop in his ministry of oversight and service within the diocese. There are also a number of funds managed at diocesan-level for the general benefit of the diocese as a whole; these include:

Faith & Justice Commission

The commission works with parishes, schools and youth groups throughout the diocese in promoting justice and peace issues, particularly in raising awareness and encouraging involvement with these. Significant emphasis is placed on a greater understanding of world development. The commission organises conferences and produces regular newsletters for the people of the diocese. A part-time worker is employed to support this work.

Sick & Retired Priests Care Fund

The diocese looks after its aged and infirm clergy through the Sick and Retired Priests Care Fund. This is a restricted fund whereby priests who are recovering from illness are also provided for. The fund provides a discretionary retirement grant for priests no longer in active ministry, and a home where needed. Some retired priests are able to continue serving the diocesan community in a reduced role providing occasional help. The fund provides support for some retired housekeepers and also manages residential properties for retired clergy situated in the diocese.

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Whilst many priests generously continue to serve past conventional retirement age (75 for clergy in Church Law), we do have an increasing number of those retired due to longevity of life and medical advances. Care of these priests is included as an integral part of the diocesan Trust Deed.

Ecclesiastical Education Fund

This (restricted) fund provides financial support for the selection and formation of students preparing for the Priesthood and for the Permanent Diaconate in the diocese. Currently we have three students in training for the Diocesan Priesthood. It also supports ongoing formation of the clergy, and provides for priests undertaking postgraduate studies in the UK or abroad. The fund also supports the Vocations Directors for Priesthood and the Permanent Diaconate and their teams in the work of promoting vocations.

Lancaster Diocesan Pilgrimage Trust

The Pilgrimage Trust oversees the annual diocesan pilgrimage to Lourdes for the sick and disabled pilgrims and their families. The pilgrimages are extensively supported by the young people and volunteer medics and carers of the diocese who assist in the care and transporting of the sick and disabled. Due to the Covid 19 pandemic the pilgrimages planned for July 2020 and July 2021 have been cancelled.

Public benefit

The Charities Act 2006 has included "Public Benefit" in the definition of a charitable purpose, such that all organisations wishing to be recognised as charities must demonstrate explicitly that their aims are for the public benefit. Based on the Charity Commission guidance, specific examples of a public benefit include the advancement of religion, the advancement of education, the prevention or relief from poverty, the relief of those in need by reason of youth, age, ill health, disability, financial hardship etc. As a "mainstream" religious denomination (and that religion has been stated by parliament to be a charitable purpose) the trustees are confident that the existing aims and activities of the charity, as set out above, sit comfortably within the Charity Commission guidelines.

Many parishes have outreach groups/activities committed to actively working for the needy in their locality. As far as is possible, practical help is given at the point of need, rather than to schemes and projects, though the latter often happens also. Many parishes in urban areas are now involved with local food banks.

International aid also features in the activities of many parishes, usually using existing recognised charities established for this purpose (e.g. CAFOD), or through religious orders who have people on the ground to ensure that aid is used for the purpose it is given and not subject to corrupt practises locally. Some parishes have formal links with the projects they support and this ensures good communication and education about the issues facing people in difficult situations abroad.

It should also be recognised that well over 1000 weekly visits are made to the elderly in their homes throughout the year. We also have teams of chaplains working in hospitals (often on 0.2 of a post) and other healthcare facilities; with many of the clergy working in these places offering a round-the-clock availability throughout the year. These are usually helped by volunteer visitors.

One of the principle activities within each parish is the celebration of Mass by the parish priests. Approximately 14,800 (December 2019) people attend Sunday Mass within our Diocese. But parish priests do far more than celebrate Mass: they are active leaders in our communities and many of our clergy are involved with people at important times of their lives, such as births, marriages and bereavement. Although a church service may take only one hour, this is usually preceded by several hours of contact and preparation with those concerned. Most clergy are involved in personal counselling, even if informally; others have trained to use sign-language to provide spiritual support to those who have serious hearing impairments. There is clear evidence that the majority of our schools - which are open to non-Catholics as well as Catholics - produce good results, both academically and socially. Although our schools are denominational in nature, OFSTED reports often comment on their positive achievements in areas of social inclusion, community cohesion, mutual respect and understanding, and promoting citizenship. Faith groups also provide important support and anchor points for persons who are new to the country. One of the strengths of church communities is that they provide community 'anchor-points'; this often includes the church building itself, which has sometimes been used by generations of the same family. Of its nature, the Church does not only look after its 'own', but serves the wider locality; it is difficult to gauge the full amount of social investment that is accumulated from the efforts of people of faith, not least because they often do their work deliberately un-noticed and un-sung. We know that many parishioners are involved in other local charitable endeavours which may or may not have any faith connection.

The stability of parish life is important in a changing world, but that does not mean that local communities are not responding to changing times. Some youth groups, for example have been around for many years with in-flow and out-

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flow of young people; other activities for young people are established in the knowledge that they will have a time-span to serve a particular group of young people, who will inevitably move on to other things as they get older or move to university.

It is worth mentioning that many church communities collaborate with other non-Catholic church communities in social projects, so that the interaction generated avoids duplication and best allows delivery of a quality service. One such project includes the 'Street Pastors' initiative which puts volunteers on the streets of cities and towns at night to coincide with young adults social activities. The initiative not only provides a listening-ear, but often helps people get home more safely, and also frees-up the emergency services to deal with more pressing matters – such initiatives are always done in partnership with the local authority and the Police.

Our Lake District churches and youth centre serve people who come to the area for recreation. Similarly, those coming to seaside resorts such as Blackpool and Morecambe, often come to services during their stay and receive hospitality.

Charitable objectives

The principal objectives of the charity are the provision of churches, religious services, halls, welfare of clergy, relief of poverty and education. The days of diocesan expansion through construction of new church buildings are all but over; these days the challenge is to keep existing places of worship open in the context of declining worshippers and fewer clergy. Creative twinning or merging of parishes is an on-going process, led by the diocesan bishop, who has the primary responsibility for the conduct of public religious worship. It is also true that use of motor vehicles generally aids mobility, and facilitates journeying to other Catholic churches further afield; this being said, there is still great loyalty to local parishes.

The charity continues to respond to developments in education. Our one sixth form college and 11 secondary schools and 72 primary schools, some of which are in socially deprived areas, are run by good staff and are overseen by volunteer governing bodies. Generally, OFSTED reports are very positive with some outstanding schools being identified, or good schools with some outstanding features. The provision of an academy support trust, and close liaison with local authorities by the Diocesan Education Service helps to ensure that our faith-led education sector keeps up with change and is able to respond to developing needs quickly.

Our diocesan priests are required to take on more work as their numbers decline. The boom years for clergy were the 1960's and early 1970's. Since then the ratio of priests to people nationally has returned to where it was for much of the late 1800's and early 1900's (that is 1:750). However, we now have more churches open than 100 years ago, all of which need staffing (even if part-time). In common with other dioceses and denominations, clergy are developing new ways of working to ensure the provision of quality and quantity of worship and pastoral services to our beneficiaries, which includes an ever greater use of lay leadership and deacons. At the same time, our clergy are to be commended, that they have not withdrawn from other areas of pastoral ministry to prisons, hospitals and schools for example.

Serious incident reporting

No serious incidents have been reported during the year of review.

Review of financial performance

The group (including social clubs) reported a deficit, before investment gains of £681k for the year (2020: deficit of £2.14m). If transactions relating to Newman School (see note 18) are excluded then a deficit of £238k results (2020 surplus £1.04m). See note 18.

The charity (parishes and central diocese only) reported a deficit of £523k, £80k excluding Newman School transactions, (2020: £2.64m, surplus £536k excluding Newman School transactions). The deficit is after loss on sale of assets (surplus properties) of £365k (2020: gain £323k).

There was an increase in the market value of group investments £7.94m (2020: decrease £4.36m) which is a recovery of losses attributed to the effects of the Covid 19 pandemic. Values continue to fluctuate moderately post year end but with a general upward trend. The market value of group investments at 5 April 2021 was £33.8m compared to £24.14m at 5 April 2020.

At the end of the financial year, the diocese had net positive group credit bank balances of £12.62m (2020 £12.84m), including cash balances of £149k (2020: £705k) held as part of the investment portfolio.

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The following is a summary of the financial performance of the Diocesan charity for the last six years:-

	2021	2020	2019	2018	2017	2016
	£000	£000	£000	£000	£000	£000
Net results of the charity	(523)	(2,647)	4,998	737	1,524	626
Gains/(losses) on investment	7,558	(4,164)	(348)	88	990	(1,181)
Net movement in funds	7,035	(6,811)	4,650	825	2,514	(555)

Total charity funds at 5 April 2021 were £79.65m (2020: £72.61m) and total group funds were £82.19m (2020: £74.93m).

Income

Total charity incoming resources were £10.5m (2020 £16.63m), £6.29m excluding receipts relating to Newman School (2020: £8.56m) and the charity incurred a deficit on activities of £523k, £80k deficit excluding Newman School transactions, compared with a deficit of £2.64m (£536k surplus excluding Newman School transactions) for 2020. There was an increase on the value of investments and the unrealised loss on these for the charity was £7.56m (2020: loss £4.16m) resulting in total fund movement (increase) of £7.04m (2020: decrease £6.81m). There was a loss on disposal of assets of £365k compare to a gain of £849k for 2020.

There has been a decrease in voluntary income streams of the charity with the total of donations and legacies decreasing from £4.77m to £4.38m. Legacy receipts increased from £330k to £1.18m. Donations received decreased from £1.14m to £699k. Income from Charitable Activities has decreased overall from £1.40m to £688m excluding £3.64m (2020: £7.69m) grants and £575k (2020: £385k) insurance receipts re Newman School.

Mass offertory collections have reduced dramatically from £2.35m to £1.81m. This dramatic fall in income is due to churches being closed for many weeks in compliance with government restrictions as a result of the Covid 19 pandemic with cash collections not being possible. Prior to the March 2020 around 40 percent of Mass offerings were in the form of loose plate giving. The trustees are exploring alternative options to cash giving.

On the re-opening of churches the number of people attending Mass was initially much lower than before the pandemic and although increased, remain lower than pre-pandemic level. This may reflect the underlying downward trend in the decline in Mass attendance, as well as the continuing impact of Covid19.

The average giving per head for 2020 was £3.25 based on the reported Mass attendance figure of approximately 14,800 (December 2019) per week, before Gift Aid, and not including other donations. A meaningful calculation of the giving per head for 2021 is not possible as the data is skewed by the effects of Covid 19 on Mass attendance. We do not anticipate the average giving per head to have changed significantly.

As the name suggests, 'voluntary donations' or 'donations' are at the discretion of the donor, and at the present time pushing for more, especially in poorer communities might be deemed inappropriate. However the trustees note that other charities have had to respond to drops in their income by developing new methods of fundraising. The scope for this within church on a Sunday is limited, but a possible fundraising initiative in the future might be adopted.

Thanks are due to our parishioners and other donors for their continued and generous support, particularly during the exceptional circumstance resulting from the Covid 19 pandemic

Income from stock and share investments showed a small increase. Bank interest rates remain at an all-time low and the charity does not have any funds held in interest bearing deposits at present.

Trading/cost of raising funds

The trustees do not consider that the charity has any trading income and that any sale of goods etc is from charitable activities and such activities are fund raising and not trading. Such income only forms a small part of the charity's total income. Although the charity has used the standard SORP heading "Other trading activities" which include "social clubs" and "fund raising – fetes etc", the income from these is not trading income. The trading of parish centre bars and proprietary parish clubs is operated through separate limited companies the results of which are consolidated in the group accounts.

Donated goods form only a very small amount of charity income, although there is no practical method of valuing donated goods, but the total value of these is not expected to be significant. Many of these would be given as raffle prizes.

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Expenditure

Resources expended by the charity decreased from £19.28m in 2020 to £11.02m. When costs relating to Newman School are excluded total expenditure has shown a decrease from £8.02m in 2020 to £6.37m for 2021. The cost of the provision of places of worship and other buildings, including repairs and maintenance, decreased from £3.42m to £2.76m. The fall in expenditure is directly attributable to the closure of churches with reduced heating costs, repairs delayed and insurance costs reduced with the help of the Catholic National Mutual. The fall in costs is only temporary.

Two of the highest areas of expenditure are the provision of places of worship & ancillary buildings at £2.76m (2020: £3.42m), a significant number of which are listed buildings, and the provision of religious services and pastoral care at £1.73m (2020: £2.11m). These two cost headings account for approximately 86% (2020: 69%) of total expenditure (adjusted to exclude expenditure re Newman School) of the charity and equate to around 87% (2020 circa 70%) of the total income (excluding income relating to Newman School) of the charity. Percentages for the 2021 year have been skewed by the effect on income of the pandemic.

There have been reductions in most individual heads of expenditure due to the effect of the pandemic. Less expenditure was incurred as a result of churches being closed. During the year the trustees approved fewer larger projects and had imposed a moratorium for a several months on large items of expenditure on property. It is noted that many church heating systems are out of date and inefficient. The age and listed status of many of our properties mean that locally installed renewables, such as solar power are not often possible to consider.

The charity rarely makes external grants from central diocese; however parishes have a degree of discretion in supporting local causes. Those organisations supported by central diocese include ecumenical partnerships, £5k (2020: £12k) and for the structures of the Catholic Church nationally £86k (2020: £93k). Total of grants, donations and levies for the charity as a whole amounted to £497k (2020: £683k).

Staff costs

One employee of the charity received remuneration over £60,000. No trustee received payment for services as a trustee, though clergy trustees receive payments as office holders (i.e. clergy in active ministry).

We employ several professionals as senior management, to work in the central administration of the diocese in the areas of: financial management, property management, safeguarding and education. There are a total of 13 (2020 12) professional staff and support staff with remuneration (including pension and National Insurance cost) of circa £458k (2020: £387k). The increase is due to consultant roles being increasingly taken over by employed staff, particularly in the education/schools department and unremunerated clergy replaced by paid lay people. The costs for 2021 include costs for a full year of staff who were engaged part way through the previous year. The trend in increased staff costs will continue and one additional member of administrative staff has been recruited during the 2021/22 year.

All of the diocesan central administrative staff were able to work from home as required (none were "furloughed"), with no loss in effectiveness and all diocesan services were maintained. Only limited use was made of the job retention scheme mainly by the Diocesan Youth Service, some parish centres/clubs and for a few parish employees.

Again, it should be noted that some of our management, and most of the charity's governance, is by the efforts of volunteers, many of whom have a lifetime of experience in their given field. This applies to the main trustee body, principal sub-committees and diocesan commissions. Parishes rely heavily on volunteers in all aspects of parish life. Total staff costs for the year were virtually unchanged at £1.06m (2020: £1.05m) with the majority of staff engaged by the parishes.

A total of £403k (2020: £329k) was paid to clergy as office holders in active ministry. The increase reflects a temporary change in the payment policy for clergy to compensate for the loss of income from other sources caused by to the pandemic as most were unable to receive support from government sources. The number of clergy in active ministry has decreased from 69 to 68 as recorded at 5 April annually, including priests on loan from other religious orders, of which there were 9 at 5 April 2021 (9 as at April 2020). The decline in priest numbers is due to more priests retiring on reaching retirement age than there are men joining the priesthood. An increasing number of priests will retire in the coming years reducing further the number of clergy in active ministry.

Staff pay is determined by the trustees for those staff not engaged at parish level. The trustees may decide directly or via one of the sub-committees or boards. The pay of parish staff is decided locally following available guidance from the trustees. The Diocese is committed to ensuring that all of its staff, where ever engaged, are remunerated at least to the living wage level.

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Fund Raising

Fund raising within the diocesan charity is carried out at local parish or department level and there is no co-ordinated diocesan wide fund raising structure or activity. We do not use any professional fund raisers and are not registered with any fund raising body or organisation.

Local fund raising is usually by means of appeals made at public events such as Mass or by organising events such as coffee mornings, sale or fetes for example. Appeals and events are organised by the Parish Priest or by parishioners on his behalf. A parish priest may on occasion approach an individual parishioner direct for support but this would be rare and by exception and only if the parishioner was well known to him.

Although these public events are open to all, the majority of those who attend are regular and well known supporters i.e. local parish congregations and are often social occasions as well as fund raising opportunities. The members of the congregation are all well known to and by the parish priest and many to each other. These close relationships allow for the easy identification of people who are vulnerable and to take appropriate action to protect them such as involving a family member if a person were to offer a large or unusual donation.

The Catholic Church has a long tradition of raising funds from its supporters. These supporters range from those who are very poor to those who are very wealthy and will include many vulnerable people. The Church has taken care to ensure the people can only give what they can afford and that donations are freely given. People are free to attend events or not, will not be pressurised to donate and will not be contacted at home.

The Diocesan Trustees do not have a formal system for monitoring of fund raising activities and due to the nature and wide spread location of such activities it would not be possible or practicable to introduce one. The Trustees have not received any complaints regarding fund raising during the current financial year.

Reserves policy

The Diocesan Trust recognises that its reserves reflect the full range of activities across parishes and the diocese as a whole. There are funds that it holds for specific purposes (restricted funds). Detailed records are held which identify the range of reserves for internal management purposes (see note 13), and it should be noted that the policy for the financial management of these reserves will vary with the purpose for which they are held.

Parish based reserves often reflect endowments or legacies from previous years, many of which have been given or established to provide for the longer-term costs associated with the care of often large and old buildings, some of which are 'listed' for the public benefit of the nation. It is also important to recognise that in the canon law of the Catholic Church, each parish is an individual entity and the designation of the particular finances of each entity has to be respected; therefore it is often not possible for cash-based funds to be simply moved from one part of the charity to another. However, given that a levy is paid on various sources of parish income to contribute to the costs of centrally provided diocesan services, then those parishes which are better off, or which have reserves are, in fact, contributing to the common good of all.

Generally speaking, the majority of regular voluntary donations by the charity's beneficiaries and donors in parishes will be spent on the general purposes of the charity in that parish within a reasonably short amount of time as 'revenue' expenditure.

When a parish with unrestricted reserves in any asset class requires funding for a particular project, the trustees will consider using these reserves as either partial, or occasionally as full, funding for the project, whilst taking the longer term future of the parish and the overall diocesan position into account. However, some fundraising at local level is normally expected for significant projects, so that parish reserves are not exhausted all at once, unless this is absolutely necessary.

Diocesan reserves reflect funds held for broader or group obligations, such as those for investing in the formation of future clergy and the care of sick and retired priests, as well as funds held for specific purposes. There is no doubt that the diocese needs to consider how these reserves can best be applied in the future to help support changes that will take place due to changes in demography, pastoral need and the actual practise of the faith from place to place (i.e. where the charity is committed to provide churches in order to maintain genuine accessibility by the charity's beneficiaries, even where a particular church might be deemed financially non-viable as a standalone unit). It should be noted that the central diocesan administration does not presently hold any long term reserves itself, but has an internal historic debt to parishes, which represents previous expenditure. With the agreement of parishes, a long term plan is in place to repay this debt over an appropriate period, primarily using 'windfall' receipts.

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The net asset distribution of the reserves set out in note 14 reflects conscious decisions which have been taken in respect of liquidity and longer term investment. Across the charity, banking and market based investment arrangements are pooled, and the trustees are satisfied that the unrestricted reserves are sufficiently liquid and under their control that they are able to fund the activities of the diocese for a period in excess of 12 months.

The charity is currently meeting all its pension contribution arrangements and is fully compliant with auto enrolment. All pension arrangements are contributory schemes there are no final salary schemes. Clergy retirement grants are paid from a separate restricted fund with its own management body. Its portfolio is also actively managed by Quilter Cheviot.

The total of group reserves, including endowment funds and restricted funds, at 5th April 2021 was £82.19m (2020: £74.93m) with £36.72m (2020: £38.26m) held in fixed-assets, the majority of which is property; investments in shares/stocks £33.80m (2020: £24.14m) and £12.46m in cash at bank (2020: £12.13m).

Investments

Reserves are held in a number of different asset classes, which include cash, market-based investments and property. On occasion, reserves held in physical assets (land and buildings) may be converted from one asset class to another to provide a better income return.

As indicated above, parish reserve cash balances which are not needed for use in the medium-term future may be pooled with those reserves of others for investment purposes. Our investments, held in FTSE 350 companies, gilts and cash have performed quite well over several years. The portfolio valuation at 5th April 2021 was £33.80m (2020: £24.14m) including the investments of the restricted fund for Sick and Retired Priests valued at £3.66m (2020: £1.97m) which is held in a separate fund with a greater emphasis on the generation of income to provide a source of funding for our revenue obligations in this regard.

Our investment manager has a medium high balanced risk brief for potential progressive capital growth and income. In recent years the performance of our investments have compared favourably with the financial sector benchmarks considered by the Investment Committee. The main benchmark used is a composite index of income and capital return of FTSE 350 shares and Government Gilts on a weighted 75%/25%. Investment income of the Group for the year was £733k (2020: £989k) and unrealised capital gain was £7.94m (2020: loss £4.36m)

Risk management

The trustees actively review the major risks which they believe the charity is potentially exposed to, identifying the types of risk and the likelihood and potential impact of occurrence, as well as the steps that can be taken to mitigate against these. To mitigate risk the trustees maintain and regularly review a risk register and have put in place insurances, checks, controls and procedures which are communicated to parishes and other diocesan organisations.

A significant percentage of voluntary donations are in cash. Our external auditors select a number of parishes each year for audit. The audit includes a check on procedures for counting and banking cash donations, including separation of duties.

Staff in our Finance Office scrutinizes local bank account balances online daily, noting any significant account movements which are reported to the Finance Sub-committee. Urgent action will be taken to investigate any suspicious transactions or account activity immediately.

Property projects are monitored by the Property Sub-committee to prevent escalation of costs. Parishes are required to report significant variations on any projects costs. School projects are also closely monitored through the School Building Committee.

At the present time, three schools in Blackpool have converted to academy status (Sept 2014), with the diocese and several trustees being 'members' of two academy trusts. A further 8 schools in Cumbria and North Lancashire converted to academy status in September 2021. Although we have a good track record with our voluntary schools, academy status is a new area of risk, especially as the directors of academy trusts are responsible for education standards and financial control. Our Diocesan Education Service has appointed key experienced personnel to the directorship of our academy support trust.

The on-going financial and pastoral viability of a number of parishes continues to be a matter of concern. Where a parish makes a financial loss for three years in a row, this is formally reported to the trustees.

The central administration budget is monitored monthly and a variance report is presented to trustees.

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Trustees' responsibilities in respect of the financial statements

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity during the year and of its financial position at the end of the year. In preparing financial statements, giving a true and fair view, the trustees should follow best practice and:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless this basis is not considered appropriate.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and to ensure that the financial statements comply with the applicable law and provisions of the Trust Deeds. The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities

Appointment of auditors

A resolution to re-appoint MHA Moore & Smalley as auditors will be considered at a meeting of the trustees.



Rev Canon P Hart - Trustee

Date: 1st February 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

Opinion

We have audited the financial statements of the Lancaster Roman Catholic Diocesan Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 5 April 2021 which comprise of the consolidated and parent charity statement of financial activities, the consolidated and parent charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including 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).

Use of our report

This report is made solely to the charity's trustees, as a body, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 5 April 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 group's or parent 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's 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 trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and parent 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 trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 auditor's 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:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness;

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

- An evaluation of the charity's internal control environment;
- Challenging assumptions and judgments made by the board, in particular in relation to future performance of the charity in light of the impact of Covid-19; and
- A review of board minutes.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have an impact on the financial statements: Health and Safety (including safeguarding), employment law and compliance with the UK Charities Act.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

MHA Moore and Smalley

MHA Moore and Smalley
Statutory Auditor
Richard House
9 Winckley Square
Preston
PR1 3HP

Date *2 February 2022*

MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

		PARISH			CENTRAL DIOCESAN AGENCIES			GROUP TOTAL	Group 2020
	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	£000	£000
INCOME FROM:									
Donations and legacies	3.1	3,423	228	-	3,651	24	709	4,384	4,766
Charitable activities	18	266	10	-	276	349	4,278	4,903	9,479
Other trading activities		801	-	-	801	133	28	962	1,456
Investments		449	-	14	463	57	230	750	989
Other		42	-	-	42	-	(365)	(323)	849
TOTAL		4,981	238	14	5,233	563	4,880	10,676	17,539
EXPENDITURE ON:									
Raising funds	4.1	238	-	-	238	122	10	370	570
Charitable activities	18	4,665	24	-	4,689	1,221	5,077	10,987	19,107
Other		-	-	-	-	-	-	-	-
TOTAL		4,903	24	-	4,927	1,343	5,087	11,357	19,677
NET INCOME/(EXPENDITURE) before other recognised gains		78	214	14	306	(780)	(207)	(681)	(2,138)
Net gains/(losses) on investments	10	5,158	-	151	5,309	396	2,237	7,942	(4,365)
NET INCOME/(EXPENDITURE)		5,236	214	165	5,615	(384)	2,030	7,261	(6,503)
Transfers between funds		(273)	63	(14)	(224)	226	(2)	-	-
NET MOVEMENT IN FUNDS		4,963	277	151	5,391	(158)	2,028	7,261	(6,503)
RECONCILIATION OF FUNDS									
Total funds brought forward		59,730	176	470	60,376	2,896	11,661	74,933	81,436
FUNDS CARRIED FORWARD		64,693	453	621	65,767	2,738	13,689	82,194	74,933

The Statement of Financial activities includes all recognised gains and losses in the year. All of the above relate to continuing activities.
The notes to the accounts form part of the financial statements.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
CHARITY STATEMENT OF FINANCIAL ACTIVITIES

	Notes	PARISH			CENTRAL DIOCESAN AGENCIES			CHARITY TOTAL	Charity 2020
		Unrestricted Funds £000	Restricted Funds £000	Endowment £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Total £000	£000
INCOME FROM:	3.2								
Donations and legacies		3,423	228	-	3,651	21	709	730	4,767
Charitable activities		266	10	-	276	347	4,278	4,625	9,478
Other trading activities		729	-	-	729	133	28	161	1,127
Investments		449	-	14	463	1	230	231	942
Other		-	-	-	-	-	(365)	(365)	323
TOTAL		4,867	238	14	5,119	502	4,880	5,382	16,637
EXPENDITURE ON:	4.2								
Raising funds		87	-	-	87	36	10	46	192
Charitable activities	18	4,570	24	-	4,594	1,220	5,077	6,297	19,092
Other		-	-	-	-	-	-	-	-
		4,657	24	-	4,681	1,256	5,087	6,343	19,284
NET INCOME/(EXPENDITURE) before other recognised gains		210	214	14	438	(754)	(207)	(961)	(2,647)
Net gains/(losses) on investments	10	5,159	-	151	5,310	11	2,237	2,248	(4,164)
NET INCOME/(EXPENDITURE) before transfers		5,369	214	165	5,748	(743)	2,030	1,287	(6,811)
Transfers between funds		(273)	63	(14)	(224)	226	(2)	224	-
NET MOVEMENT IN FUNDS		5,096	277	151	5,524	(517)	2,028	1,511	(6,811)
RECONCILIATION OF FUNDS									
Total funds brought forward		59,445	176	470	60,091	859	11,661	12,520	79,422
FUNDS CARRIED FORWARD		64,541	453	621	65,615	342	13,689	14,031	72,611

The Statement of Financial activities includes all recognised gains and losses in the year. All of the above relate to continuing activities.
The notes to the accounts form part of the financial statements.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
BALANCE SHEET

		GROUP		CHARITY	
		2021	2020	2021	2020
		£000	£000	£000	£000
FIXED ASSETS					
Tangible assets	9	36,718	38,263	36,493	38,034
Investments	10	33,800	24,144	31,598	22,947
		70,518	62,407	68,091	60,981
CURRENT ASSETS					
Stocks		14	18	1	2
Debtors	11	1,263	829	1,256	837
Cash at bank and in hand		12,466	12,135	12,439	11,987
		13,743	12,982	13,696	12,826
Creditors: amounts falling due within one year	12	(1,993)	(410)	(2,141)	(1,196)
NET CURRENT ASSETS/(LIABILITIES)		11,750	12,572	11,555	11,630
Creditors: amounts falling due after more than one year	12	(74)	(46)	-	-
NET ASSETS		82,194	74,933	79,646	72,611
FUNDS					
Restricted income funds	13.1	14,142	11,837	14,142	11,837
Endowment funds	13.2	621	470	621	470
Parish general funds	13.3	64,693	59,730	64,541	59,445
Diocesan general funds	13.4	2,738	2,896	342	859
TOTAL FUNDS		82,194	74,933	79,646	72,611

Approved by the Trustees on 1st February 2022 and signed on their behalf by



.....
The Right Reverend P Swarbrick
Bishop of Lancaster & Chair of the
Trustees



.....
Reverend Canon P Hart
Financial Administrator & Trustee

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
CONSOLIDATED CASH FLOW STATEMENT

	2021 £000	2020 £000	
Cash flows from operating activities			
Net cash provided by (used in) operating activities	<u>147</u>	<u>(3,945)</u>	
Cash flows from investing activities:			
Dividends, interest and rents from investment	733	989	
Proceeds from sale of property, plant & equipment	1,170	923	
Purchase of property, plant & equipment	(5)	(24)	
Proceeds of sale of investments	1,900	6,183	
Purchase of investments	<u>(4,170)</u>	<u>(6,907)</u>	
Net cash provided by (used in) investing activities	<u>(225)</u>	<u>(2,781)</u>	
Cash flows from financing activities:			
Repayment of borrowing	-	-	
Cash inflows from new borrowing	<u>-</u>	<u>-</u>	
Net cash provided by (used in) financing activities	<u>-</u>	<u>-</u>	
Change in cash and cash equivalents in the reporting period	(225)	(2,781)	
Cash and cash equivalents at the beginning of the reporting period	12,840	15,621	
Change in cash and cash equivalents due to exchange rate movement	-	-	
Cash and cash equivalents at the end of the reporting period	<u>12,615</u>	<u>12,840</u>	
Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	7,261	(6,503)	
Adjustments for:			
Depreciation charges	15	23	
(Gains)/losses on investments	(7,942)	4,365	
Dividend, interest and rents from investments	(733)	(989)	
Loss/(Profit) on sale of fixed assets	365	(849)	
(increase)/decrease in stocks	4	6	
(increase)/decrease in debtors	(434)	83	
increase/(decrease) in creditors	<u>1,611</u>	<u>(81)</u>	
Net cash provided by/(used in) operating activities	<u>147</u>	<u>(3,945)</u>	
Analysis of change in cash in hand and at bank			
Bank	12,466	12,135	change 331
Held by investment fund managers	<u>149</u>	<u>705</u>	<u>(556)</u>
	<u>12,615</u>	<u>12,840</u>	<u>(225)</u>

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICES

Basis of accounting

Lancaster Roman Catholic Diocesan Trust is a registered charity in the United Kingdom. The address of the charity, the nature of its operations and its principal activities are all detailed in the Trustees' report and Trustees and Advisors pages of these financial statements.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at valuation. The financial statements are prepared in sterling which is the functional currency of the charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Preparation of the accounts on a going concern basis

The trustees have assessed whether the use of the going concern basis is appropriate in the preparation of the financial statements. The period of assessment is one year from the date of approval of these financial statements. The trustees have concluded that there are no material uncertainties that cast doubt on the ability of the charity/group to continue as a going concern including the impact of the Covid 19 pandemic. The trustees are of the opinion, based on available financial data, that there will be sufficient incoming resources and assets to meet future liabilities when they fall due taking into account the expected reduction in income with expenditure remaining unchanged during the period of assessment.

A significant area of uncertainty is the value of investments and the income from these which can be drastically affected by economic and other factors beyond the control of the trustees. The trustees are of the opinion that the Charity can withstand a significant fall in the value of these and in investment income receipts, though this is not anticipated.

Basis of consolidation

The consolidated financial statements of the group incorporate the financial statements of the Diocesan Trust, "the charity" which comprise the parishes and central diocesan agencies and subsidiary entities over which the diocese is considered to exert control. Details of the subsidiary entities are given in note 2.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
NOTES TO THE ACCOUNTS

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Judgement and key sources of estimation uncertainty

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

In the opinion of the trustees there have been no significant estimate or judgements made in the process of applying the charity's accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
NOTES TO THE ACCOUNTS

Income recognition

Income is included in the period in which the charity/group becomes entitled to the income, it is probable that it will be received and the amount of income receivable can be measured reliably. Specific policies apply to the categories of income noted below.

Legacies are accounted for on entitlement which is considered to be the earlier of notification from the executor that probate has been granted and confirmed that there are sufficient assets to make a distribution or when a distribution is received.

Collections, including Mass offerings, and other donations are accounted for on a cash received basis as such voluntary donations can only be measured with certainty upon receipt.

Gift Aid donations are accounted for on a cash received basis with any related Gift Aid or Gift Aid Small Donation Scheme tax credits accounted for on an accruals basis.

Revenue grant income is accounted for when received.

Capital grants are recognised as restricted income when received or receipt can be measured reliably and associated costs are charged against these restricted funds.

Investment income is accounted for on an accruals basis.

Income from charitable activities is accounted for on a cash received basis.

Income from fund raising activities is accounted for on a cash received basis.

Rental income from functional properties is accounted for when received under the terms of the lease or hire agreement and when it is probable that it will be received and the amount can be reliably measured.

Trading subsidiary accounts are produced on an accruals basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount can be reliably measured. All expenditure is included in the financial statements on an accruals basis inclusive of irrecoverable VAT.

Expenditure on direct charitable activities mainly comprise: the provision of places of worship and associated buildings e.g. presbyteries; provision of religious services and pastoral care and support; support of education and youth services; training of priests and deacons and the financial support of sick and retired priests.

Support costs include the costs of the Finance and Property Offices, Health & Safety services, Safeguarding Office, the provision of the Pastoral Centre, which houses the administrative offices of the diocese and provide a central meeting venue, and governance costs. Support costs are apportioned to charitable activities based on an estimate of management and employee time spent in support of these activities.

Governance costs are now included under support costs and comprise those costs of the organisation administration and compliance with constitutional and statutory requirements including external audit, legal and other professional services. Governance costs are apportioned to charitable activities based on an estimate of management and employee time spent in support of these activities.

Investments

Investments are initially recognised at their transaction value then subsequently included in the balance sheet at their fair value using the closing quoted market price. Any realised and unrealised gains and losses on revaluation or disposals throughout the year are included in the statement of financial activities.

Tangible fixed assets - other than schools

Functional freehold properties including churches, presbyteries, houses, parish hall/centres and similar buildings are included in the balance sheet at deemed cost. The deemed cost is the discounted insurance value at 1997, which

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
NOTES TO THE ACCOUNTS

have been discounting based on inflation statistics to arrive at original cost. For the purposes of these financial statements and in line with the provisional arrangements of FRS 102 these estimates of depreciated value at 1997 are now the deemed cost.

The charity took advantage of the transitional provisions under FRS 102 to take the value of freehold property as deemed cost on transition at 6 April 2014 but as historical cost is unknown and cost per the accounts refers to an earlier valuation by the charity, the trustees have continued to show brought forward valuation and accumulated depreciation at transition date in the notes to the accounts. Depreciation has not been charged on freehold property following the introduction of FRS 102 as this charge is considered meaningless.

Freehold properties purchased since 1997 are recorded at cost. Properties donated after 1997 are included at valuation.

Depreciation is calculated to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values over the expected useful economic lives of the assets concerned. The principal annual rates and method used for this purpose are as follows:

	Rate	Method
Fixtures, fittings and equipment	25%	reducing balance basis
Motor Vehicles	25%	reducing balance basis

All additions to fixtures, fittings and other fixed assets after 6th April 1995 in excess of £5,000 are included at purchase cost less accumulated depreciation.

The charity owns a number of works of art, including paintings, manuscripts and sculptures. All parishes own silverware, in daily use for the purposes of the parish, which are on display within the diocese and parishes. Many have been donated, bequeathed or inherited by the diocese or parishes. Such items are not included at any value in the financial statements because it is considered that no meaningful value can be attributed to them.

Tangible fixed assets – schools property

The diocese owns land on which its voluntary aided schools are built. The school buildings are occupied, improved, extended and repaired by the school governors. Each school is an exempt charity and occupies the land and buildings rent free. The nature of occupation of the land and buildings by these exempt charities means that the diocesan trustees do not have the power to dispose of the land or buildings until a school ceases its occupation, which in turn would require the approval of the governing body and the Secretary of State and may involve recovery of grant aid by the DCSF or the obligation to use the proceeds for other educational provision. Consequently such land and buildings are not in direct use by the charity, do not generate any income, cannot be disposed of on the open market and cannot be used for any other purpose during the schools' occupation, which may be indefinite. In view of these restrictions the trustees believe the recoverable amount of these assets is nil and are included at nil valuation in these financial accounts.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Liquid resources comprise amounts held on deposit with recognised banks and building societies and cash on hand held at parish level.

Provisions

These are recognised when there is a commitment made to the incurring of expenditure.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
NOTES TO THE ACCOUNTS

Pension costs

The charity operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Fund accounting

The charity/group has various types of funds for which it is responsible, and which require separate disclosure within the financial statements. These are:

Endowment funds

Funds given to the charity or its subsidiaries, subject to the restriction that they are held as capital. Income derived from endowment funds is included in the Statement of Financial Activities, and may be restricted to a particular purpose.

Restricted funds

Donations, grants or legacies received which have been given for a specific purpose or purposes as specified by the donor; where such purposes are within the overall aims of the organisation. These funds may represent capital only (where the capital must be retained) or income and capital (where the donation and income deriving from them may be utilised).

General funds

These represent unrestricted funds which are available at the discretion of the Trustee in furtherance of the objectives of the charity and which have not been designated for other purposes.

Designated funds

These are funds included within the general funds that have been set aside and designated by the trustees for specific purposes.

Parish funds

There are included within the general funds. In civil administration a parish is not a distinct legal entity but forms part of the wider diocese, but with a degree of independence and autonomy. Parish funds and assets, unless subject of a separate trust recognised in law, are funds of the Diocesan Trust and therefore the responsibility of the diocesan trustees. In Canon Law a parish is a public juridical person with the parish priest carrying out his ministry under the authority of the Bishop. A parish has the right under Canon Law to acquire, retain, administer and alienate temporal goods subject to the norms of Canon Law.

Taxation

The Roman Catholic Diocese of Lancaster is a charity within the meaning of section 1119 Corporation Taxes Act (CTA) 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478 - 489 of the CTA 2010 or section 256 of the Taxation of Chargeable Gains Act 2010, to the extent that such income or gains are applied to exclusively charitable purposes.

The charity's subsidiary and associated undertakings are subject to corporation tax in the same way as any commercial or charitable organisation, as appropriate.

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2 GROUP BODIES

The charity has interests in associated and subsidiary undertakings, which are consolidated in the financial statements, as follows:

Limited companies

St Kentigern's Parish Centre Ltd	Subsidiary	100%	Social club/centre
St Anthony's Parish (Preston) Centre Ltd	Subsidiary	100%	Social club/centre
St Margaret Mary's Parish Community Centre (Carlisle) Ltd	Subsidiary	100%	Social club/centre

All the above companies are incorporated in the United Kingdom.

Trusts and Charities

The charity has consolidated the financial statements of the following associated or subsidiary trusts and charities into these financial statements:

The Moyston Trust
Lancaster Diocesan Pilgrimage Trust
St Cuthbert's Carlisle School Charity
St John's Poulton 1838 Charity

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3.1 ANALYSIS OF INCOME – GROUP
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			GROUP TOTAL	2020
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	1,814	-	-	1,814	-	-	-	1,814	2,357
Donations	617	25	-	642	8	48	56	698	1,141
Legacies	309	203	-	512	15	661	676	1,188	330
Special collections	215	-	-	215	-	-	-	215	434
Gift Aid	468	-	-	468	1	-	1	469	504
Other	-	-	-	-	-	-	-	-	-
	3,423	228	-	3,651	24	709	733	4,384	4,766
Charitable activities									
Grants received (see note 18)	78	10	-	88	182	3,638	3,820	3,908	7,903
Service charges receivable	7	-	-	7	2	-	2	9	3
Sale of candles, votive etc	51	-	-	51	6	-	6	57	186
Youth Service income	-	-	-	-	69	-	69	69	331
Insurance claim receipts (see note 18)	13	-	-	13	-	593	593	606	404
Income from chaplaincy	79	-	-	79	-	-	-	79	95
Subscriptions and other charges	-	-	-	-	25	-	25	25	98
Inter diocese re-charges	-	-	-	-	-	47	47	47	-
Education Service income	-	-	-	-	-	-	-	-	192
Income for graveyards & funerals	28	-	-	28	-	-	-	28	30
Other	10	-	-	10	65	-	65	75	237
	266	10	-	276	349	4,278	4,627	4,903	9,479
Other trading activities									
Social clubs	35	-	-	35	-	-	-	35	81
Fund raising – fetes etc	118	-	-	118	-	-	-	118	474
Rental income	648	-	-	648	133	28	161	809	901
	801	-	-	801	133	28	161	962	1,456
Investments									
Bank interest received	-	-	-	-	-	-	-	-	-
Dividend income	449	-	14	463	40	230	270	733	989
Rental and leasing income	-	-	-	-	17	-	17	17	-
Other	-	-	-	-	-	-	-	-	-
	449	-	14	463	57	230	287	750	989
Other									
Gains and losses on sale of fixed assets	-	-	-	-	-	(365)	(365)	(365)	849
Other	42	-	-	42	-	-	-	42	-
	42	-	-	42	-	(365)	(365)	(323)	849
TOTAL GROUP INCOME 2021	4,981	238	14	5,233	563	4,880	5,443	10,676	17,539

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3.1 ANALYSIS OF INCOME – GROUP
PREVIOUS YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2020 GROUP TOTAL	2019
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,357	-	-	2,357	-	-	-	2,357	2,498
Donations	940	51	-	991	19	131	150	1,141	744
Legacies	279	50	-	329	-	1	1	330	1,085
Special collections	431	3	-	434	-	-	-	434	349
Gift Aid	504	-	-	504	-	-	-	504	537
Other	-	-	-	-	-	-	-	-	-
	4,511	104	-	4,615	19	132	151	4,766	5,213
Charitable activities									
Grants received (see note 18)	3	208	-	211	3	7,689	7,692	7,903	3,184
Service charges receivable	2	-	-	2	1	-	1	3	-
Sale of candles, votive etc	164	-	-	164	22	-	22	186	201
Youth Service income	-	-	-	-	331	-	331	331	347
Insurance claim receipts (see note 18)	18	-	-	18	-	386	386	404	5,735
Income from chaplaincy	86	-	-	86	9	-	9	95	72
Subscriptions and other charges	81	-	-	81	17	-	17	98	91
Inter diocese re-charges	-	-	-	-	-	-	-	-	5
Education Service income	-	-	-	-	145	47	192	192	181
Income for graveyards & funerals	30	-	-	30	-	-	-	30	23
Other	29	-	-	29	208	-	208	237	146
	413	208	-	621	736	8,122	8,858	9,479	9,985
Other trading activities									
Social clubs	78	-	-	78	3	-	3	81	82
Fund raising - fetes etc	474	-	-	474	-	-	-	474	507
Rental income	789	-	-	789	93	19	112	901	932
	1,341	-	-	1,341	96	19	115	1,456	1,521
Investments									
Bank interest received	-	-	-	-	-	-	-	-	1
Dividend income	615	-	18	633	46	310	356	989	930
Rental and leasing income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	615	-	18	633	46	310	356	989	931
Other									
Gains and losses on sale of fixed assets	324	-	-	324	525	-	525	849	754
	324	-	-	324	525	-	525	849	754
TOTAL GROUP INCOME 2020	7,204	312	18	7,534	1,422	8,583	10,005	17,539	18,404

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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3.2 ANALYSIS OF INCOME – CHARITY
CURRENT YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES				CHARITY TOTAL	2020
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000	£000
Donations and legacies										
Collections	1,814	-	-	1,814	-	-	-	1,814	2,357	
Donations	617	25	-	642	9	48	57	699	1,142	
Legacies	309	203	-	512	11	661	672	1,184	330	
Special collections	215	-	-	215	-	-	-	215	431	
Gift Aid	468	-	-	468	1	-	1	469	507	
Other	-	-	-	-	-	-	-	-	-	
	3,423	228	-	3,651	21	709	730	4,381	4,767	
Charitable activities										
Grants received (see note 18)	78	10	-	88	181	3,638	3,819	3,907	7,903	
Service charges receivable	-	-	-	-	2	47	49	49	4	
Sale of candles, votive etc	51	-	-	51	6	-	6	57	185	
Youth Service income	-	-	-	-	69	-	69	69	331	
Insurance claim receipts (see note 18)	13	-	-	13	-	593	593	606	404	
Income from chaplaincy	80	-	-	80	-	-	-	80	95	
Subscriptions and other charges	7	-	-	7	18	-	18	25	99	
Inter diocese re-charges	-	-	-	-	6	-	6	6	-	
Education Service income	-	-	-	-	-	-	-	-	193	
Income for graveyards & funerals	28	-	-	28	-	-	-	28	29	
Other	9	-	-	9	65	-	65	74	235	
	266	10	-	276	347	4,278	4,625	4,901	9,478	
Other trading activities										
Social clubs	36	-	-	36	-	-	-	36	78	
Fund raising - fetes etc	45	-	-	45	-	-	-	45	172	
Rental income	648	-	-	648	133	28	161	809	877	
	729	-	-	729	133	28	161	890	1,127	
Investments										
Bank interest received	-	-	-	-	-	-	-	-	-	
Dividend income	449	-	14	463	1	230	231	694	942	
Rental and leasing income	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	
	449	-	14	463	1	230	231	694	942	
Other										
Gains and losses on sale of fixed assets	-	-	-	-	-	(365)	(365)	(365)	323	
	-	-	-	-	-	(365)	(365)	(365)	323	
TOTAL CHARITY INCOME 2021	4,867	238	14	5,119	502	4,880	5,382	10,501	16,637	

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3.2 ANALYSIS OF INCOME – CHARITY
PREVIOUS YEAR

	PARISHES				CENTRAL DIOCESAN AGENCIES			2020 CHARITY TOTAL	2019
	Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000	£000	£000
Donations and legacies									
Collections	2,357	-	-	2,357	-	-	-	2,357	2,498
Donations	943	51	-	994	17	131	148	1,142	744
Legacies	279	50	-	329	-	1	1	330	1,086
Special collections	431	-	-	431	-	-	-	431	349
Gift Aid	504	3	-	507	-	-	-	507	536
Other	-	-	-	-	-	-	-	-	-
	4,514	104	-	4,618	17	132	149	4,767	5,213
Charitable activities									
Grants received (see note 18)	3	208	-	211	3	7,689	7,692	7,903	3,184
Service charges receivable	-	-	-	-	4	-	4	4	5
Sale of candles, votive etc	163	-	-	163	22	-	22	185	200
Youth Service income	-	-	-	-	331	-	331	331	347
Insurance claim receipts (see note 18)	19	-	-	19	-	385	385	404	5,735
Income from chaplaincy	86	-	-	86	9	-	9	95	72
Subscriptions and other charges	82	-	-	82	17	-	17	99	90
Inter diocese re-charges	-	-	-	-	-	-	-	-	4
Education Service income	-	-	-	-	145	48	193	193	180
Income for graveyards & funerals	29	-	-	29	-	-	-	29	23
Other	28	-	-	28	207	-	207	235	145
	410	208	-	618	738	8,122	8,860	9,478	9,985
Other trading activities									
Social clubs	78	-	-	78	-	-	-	78	72
Fund raising - fetes etc	172	-	-	172	-	-	-	172	181
Rental income	788	-	-	788	70	19	89	877	894
	1,038	-	-	1,038	70	19	89	1,127	1,147
Investments									
Bank interest received	-	-	-	-	-	-	-	-	-
Dividend income	614	-	18	632	-	310	310	942	886
Rental and leasing income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	614	-	18	632	-	310	310	942	886
Other									
Gains and losses on sale of fixed assets	324	-	-	324	(1)	-	(1)	323	754
	324	-	-	324	(1)	-	(1)	323	754
TOTAL CHARITY INCOME 2020	6,900	312	18	7,230	824	8,583	9,407	16,637	17,985

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4.1 ANALYSIS OF EXPENDITURE – GROUP
CURRENT YEAR

Expenditure on raising funds:

Parish event fund raising costs	
Other events fund raising costs	
Social club bar purchases	
Social club other costs	
Investment management costs	
Rental property management costs	
Other	

Expenditure on charitable activities

Provision of places of worship & ancillary buildings	
Provision of religious service & pastoral care	
Support of education & youth services (see note 18)	
Training of priests, deacons & seminarians	
Support of retired priests	
Grants, donations & levies	
Other charitable activity costs	

Other

TOTAL GROUP EXPENDITURE 2021

PARISHES					CENTRAL DIOCESAN AGENCIES			GROUP TOTAL	2020
Unrestricted £000	Restricted £000	Endowments £000	Total £000	Unrestricted £000	Restricted £000	Total £000			
26	-	-	26	-	-	-	26	57	
-	-	-	-	36	-	36	36	-	
41	-	-	41	-	-	-	41	127	
97	-	-	97	-	-	-	97	222	
62	-	-	62	13	10	23	85	86	
-	-	-	-	18	-	18	18	71	
12	-	-	12	55	-	55	67	7	
238	-	-	238	122	10	132	370	570	
2,648	14	-	2,662	99	-	99	2,761	3,426	
1,438	-	-	1,438	265	23	288	1,726	2,109	
-	-	-	-	708	4,656	5,364	5,364	12,154	
-	-	-	-	5	105	110	110	121	
-	-	-	-	10	284	294	294	317	
459	10	-	469	21	9	30	499	682	
120	-	-	120	113	-	113	233	298	
4,665	24	-	4,689	1,221	5,077	6,298	10,987	19,107	
-	-	-	-	-	-	-	-	-	
4,903	24		4,927	1,343	5,087	6,430	11,357	19,677	

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4.1 ANALYSIS OF EXPENDITURE – GROUP

[PREVIOUS YEAR](#)

Expenditure on raising funds:

	PARISHES			
	Unrestricted £000	Restricted £000	Endowments £000	Total £000
Parish event fund raising costs	57	-	-	57
Other events fund raising costs	-	-	-	-
Social club bar purchases	127	-	-	127
Social club other costs	222	-	-	222
Investment management costs	66	-	-	66
Rental property management costs	-	-	-	-
Other	1	-	-	1
	473	-	-	473

Expenditure on charitable activities

Provision of places of worship & ancillary buildings	3,329	-	-	3,329
Provision of religious service & pastoral care	1,868	-	-	1,868
Support of education & youth services (see note 18)	-	-	-	-
Training of priests, deacons & seminarians	-	-	-	-
Support of retired priests	-	-	-	-
Grants, donations & levies	614	22	-	636
Other charitable activity costs	3	-	-	3
	5,814	22	-	5,836

Other

	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	6,287	22	-	6,309

TOTAL GROUP EXPENDITURE 2020

	CENTRAL DIOCESAN AGENCIES				2020 GROUP TOTAL	
	Unrestricted £000	Restricted £000	Total £000		£000	2019 £000
	-	-	-		57	48
	-	-	-		-	17
	-	-	-		127	159
	-	-	-		222	208
	10	10	20		86	87
	71	-	71		71	65
	6	-	6		7	7
	87	10	97		570	591
	94	3	97		3,426	3,498
	214	27	241		2,109	2,143
	895	11,259	12,154		12,154	5,818
	7	114	121		121	114
	10	307	317		317	365
	30	16	46		682	633
	295	-	295		298	230
	1,545	11,726	13,271		19,107	12,801
	-	-	-		-	-
	-	-	-		-	-
	1,632	11,736	13,368		19,677	13,392

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4.2 ANALYSIS OF EXPENDITURE -
CHARITY CURRENT YEAR

	PARISHES			CENTRAL DIOCESAN AGENCIES			CHARITY TOTAL	2020
	Unrestricted	Restricted	Endowments	Unrestricted	Restricted	Total		
	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure on raising funds:								
Parish event fund raising costs	22	-	-	-	-	-	22	46
Other events fund raising costs	3	-	-	-	-	-	3	11
Social club bar purchases	-	-	-	-	-	-	-	-
Social club other costs	-	-	-	-	-	-	-	-
Investment management costs	62	-	-	-	10	10	72	76
Rental property management costs	-	-	-	36	-	36	36	59
	87	-	-	36	10	46	133	192
Expenditure on charitable activities								
Provision of places of worship & ancillary buildings	2,649	14	-	99	-	99	2,762	3,427
Provision of religious service & pastoral care	1,438	-	-	265	23	288	1,726	2,109
Support of education & youth services (see note 18)	-	-	-	708	4,656	5,364	5,364	12,153
Training of priests, deacons & seminarians	-	-	-	5	106	111	111	119
Support of retired priests	-	-	-	11	284	295	295	317
Grants, donations & levies	458	10	-	21	8	29	497	683
Other charitable activities	25	-	-	111	-	111	136	284
	4,570	24	-	1,220	5,077	6,297	10,891	19,092
TOTAL CHARITY EXPENDITURE 2021	4,657	24	-	1,256	5,087	6,343	11,024	19,284

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4.2 ANALYSIS OF EXPENDITURE –CHARITY PREVIOUS YEAR

	PARISHES				Total
	Unrestricted	Restricted	Endowments	Total	
	£000	£000	£000	£000	£000
Expenditure on raising funds:					
Parish event fund raising costs	46	-	-	-	46
Other events fund raising costs	11	-	-	-	11
Social club bar purchases	-	-	-	-	-
Social club other costs	-	-	-	-	-
Investment management costs	66	-	-	-	66
Rental property management costs	-	-	-	-	-
	123	-	-	-	123
Expenditure on charitable activities					
Provision of places of worship & ancillary buildings	3,329	-	-	-	3,329
Provision of religious service & pastoral care	1,868	-	-	-	1,868
Support of education & youth services (see note 18)	-	-	-	-	-
Training of priests, deacons & seminarians	-	-	-	-	-
Support of retired priests	-	-	-	-	-
Grants, donations & levies	614	22	-	-	636
Other charitable activities	3	-	-	-	3
	5,814	22	-	-	5,836
TOTAL CHARITY EXPENDITURE 2020	5,937	22	-	-	5,959

CENTRAL DIOCESAN AGENCIES				Total
Unrestricted	Restricted	Total		
£000	£000	£000	£000	
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	10	10	10	10
59	-	-	59	59
59	10	69		
95	3	98		
214	27	241		
894	11,259	12,153		
5	114	119		
10	307	317		
31	16	47		
281	-	281		
1,530	11,726	13,256		
1,589	11,736	13,325		

2020 CHARITY TOTAL	2019
£000	£000
46	48
11	13
-	-
-	-
76	75
59	60
192	196
3,427	3,497
2,109	2,146
12,153	5,818
119	113
317	365
683	632
284	220
19,092	12,791
19,284	12,987

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5 EMPLOYEES AND OFFICE HOLDERS (including key management personnel)

The number of employees, which excludes clergy and volunteer, during the year was:-

	2021	2020
Central diocesan: administration and support services	15	14
Youth Service including Castlerigg	11	10
Parochial	70	76
Clubs & centres	12	13
	108	113
The aggregate remuneration paid to employees was:-	£000	£000
Wages and salaries (restated to excluded clergy retirement gratuities)	988	987
Social security costs	39	35
Pension costs	37	36
	1,064	1,058
Amounts paid to clergy during the year:- for active ministry	403	329
retirement gratuities	195	180
	598	509

The number of employees who earned more than £60,000 (including benefits but excluding employer's national insurance and pension contributions) during the year was as follows

	2021	2020
£60,001 - £70,000	1	-
	1	-

Employees include administrative staff at both Diocese and Parishes, together with associated and related entities. Clergy are self-employed office holders and not employees.

Key personnel

The trustees consider the board of trustees as the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give their time freely, and no trustee receives any remuneration in respect of the work undertaken in the role of trustee. There are members of the board of trustees who are also clergy of the Diocese of Lancaster, and as with other members of the clergy receive a remuneration for the work they undertake in their clerical role only. These trustees are identified in the list of trustees on page 3 "Trustees and Advisors".

Details of trustees' expenses and related party transactions are disclosed in the notes the accounts. Trustees are required to disclose all relevant interests and register them with the diocesan secretary and in accordance with the trustees' policy withdraw from decisions where a conflict of interest arises.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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6 TRUSTEES

No trustee received any remuneration during the year or previous year. Certain trustees received allowances as serving clergy but not in their capacity as trustee.

During the year 2 trustees (2020: 5) received expenses to the value of £1,149 (2020 £3,520) in respect of travel and subsistence costs in respect of their position as a trustee. Expenses claimed were lower due to meetings being held virtually to comply with Covid 19 restrictions. Trustees who are also serving clergy may receive expenses in connection with their clerical role. Any such expenses have not been quantified and are not included above.

7 NET EXPENDITURE

	2021 £000	2020 £000
This is stated after charging:-		
Depreciation	<u>15</u>	<u>23</u>
Audit	<u>26</u>	<u>26</u>

8 ALLOCATED SUPPORT COSTS

	Finance Office £000	Gift Aid & Special Collections £000	Pastoral Centre £000	Property Office £000	H&S £000	Governance £000	Group Total £000
Raising Funds	1	-	-	-	-	5	6
Charitable Activities:							
Provision of places of worship	18	7	6	21	11	36	99
Provision of religious service & pastoral care	10	5	3	12	4	27	61
Support of education & youth services	29	12	9	32	11	72	165
Training of priests, deacons & seminarians	1	-	-	-	-	2	3
Support of sick & retired priests	2	1	1	2	-	5	11
Grants, donations & Levies	3	1	1	3	-	10	18
Other charitable activity costs	1	1	1	1	-	2	6
	<u>65</u>	<u>27</u>	<u>21</u>	<u>71</u>	<u>26</u>	<u>159</u>	<u>369</u>

Basis of allocation

Governance and support costs are allocated on estimates of staff and trustees time spent on each charitable or other activity.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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NOTES TO THE ACCOUNTS

9 TANGIBLE FIXED ASSETS

9.1 Group

	PARISHES				CENTRAL DIOCESAN AGENCIES				GROUP	2020
	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total		£000 £
Cost or valuation	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £
At the beginning of the year	37,117	42	1,061	38,220	8,621	20	132	8,773	46,993	47,051
Additions	-	-	2	2	-	-	3	3	5	24
Disposals	-	-	-	-	(1,747)	-	(17)	(1,764)	(1,764)	(82)
At end of the year	37,117	42	1,063	38,222	6,874	20	118	7,012	45,234	46,993
Depreciation and impairments										
At beginning of the year	6,172	29	1,031	7,232	1,378	16	104	1,498	8,730	8,715
Eliminated on disposals	-	-	(12)	(12)	(217)	-	-	(217)	(229)	(8)
Depreciation	-	3	2	5	-	1	9	10	15	23
Impairment	-	-	-	-	-	-	-	-	-	-
At end of the year	6,172	32	1,021	7,225	1,161	17	113	1,291	8,516	8,730
Net book value										
Net book value at the beginning of the year	30,945	13	30	30,988	7,243	4	28	7,275	38,263	38,336
Net book value at the end of the year	30,945	10	42	30,997	5,713	3	5	5,721	36,718	38,263

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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NOTES TO THE ACCOUNTS

9 TANGIBLE FIXED ASSETS

9.2 Charity

	PARISHES				CENTRAL DIOCESAN AGENCIES				CHARITY	2020
	Freehold land & buildings	Motor Vehicles	Fixtures, fittings and equipment	Total	Freehold land & buildings	Motor vehicles	Fixtures, fittings and equipment	Total		
	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £	£000 £
Cost or valuation										
At the beginning of the year	36,914	42	965	37,921	8,620	20	132	8,772	46,693	46,708
Additions	-	-	-	-	-	-	3	3	3	13
Disposals	-	-	-	-	(1,747)	-	-	(1,747)	(1,747)	(28)
At end of the year	36,914	42	965	37,921	6,873	20	135	7,028	44,949	46,693
Depreciation and impairments										
At beginning of the year	6,172	31	960	7,163	1,378	15	103	1,496	8,659	8,650
Eliminated on disposals	-	-	-	-	(217)	-	-	(217)	(217)	(9)
Depreciation	-	3	1	4	-	1	9	10	14	18
Impairment	-	-	-	-	-	-	-	-	-	-
At end of the year	6,172	34	961	7,167	1,161	16	112	1,289	8,456	8,659
Net book value										
Net book value at the beginning of the year	30,742	11	5	30,758	7,242	5	29	7,276	38,034	38,058
Net book value at the end of the year	30,742	8	4	30,754	5,712	4	23	5,739	36,493	38,034

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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10 INVESTMENTS

	Market value at start of year	Costs of investments purchased	Proceeds of sale of investments	CIMV	Market value at end of year
	£000	£000	£000	£000	£000
Charity					
Equities & unit trusts	18,161	3,208	(1,900)	8,538	28,007
Fixed interest	5,250	957	-	(593)	5,614
Held for subsidiary entities	(1,151)	-	(617)	(382)	(2,150)
Held for third parties	(17)	-	-	(5)	(22)
	22,243	4,165	(2,517)	7,558	31,449
Cash	704				149
	<u>22,947</u>			Charity	<u>31,598</u>
Group					
Equities & unit trusts	18,206	3,210	(1,900)	8,543	28,059
Fixed interest	5,250	960	-	(596)	5,614
Held for third parties	(17)	-	-	(5)	(22)
	23,439	4,170	(1,900)	7,942	33,651
Cash	705				149
	<u>24,144</u>			Group	<u>33,800</u>

The Diocesan Trust operates a pooled investment fund where investors hold units and do not invest directly in discrete holdings.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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NOTES TO THE ACCOUNTS

11 DEBTORS & PREPAYMENTS

	GROUP		CHARITY	
	2021 £000	2020 £000	2021 £000	2020 £000
Gift Aid and Gift Aid Small Donation Scheme recoverable	401	450	401	450
Sundry debtors	822	195	815	204
Prepayments and accrued income	38	182	38	181
Loans to clergy	2	2	2	2
	1,263	829	1,256	837

All debtors are receivable within one year

12 CREDITORS & ACCRUALS

Amounts falling due within one year

Trade creditors	50	23	49	4
Accruals and deferred income	95	83	78	82
Taxation and social security	-	-	-	-
Other creditors	1,848	304	2,014	1,110
	1,993	410	2,141	1,196

Amounts falling due after more than one year

Other creditors	74	46	-	-
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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS – current year

Charity: Diocesan Central Agencies

	Opening balance 2020	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2021
	£000	-				£000
Ecclesiastical Education Fund	4,290	209	(122)	(28)	1,035	5,384
Poor Missions Fund	1,634	41	-	(40)	409	2,044
Sick and Retired Priests Fund	4,540	380	(294)	75	702	5,403
Funds for Overseas Missions	9	-	-	-	-	9
Kirkham Church of St John and RC Purposes	248	7	-	(9)	75	321
Catforth, Thurnham & Westby Schools	70	2	-	-	16	88
St Ignatius Legacy	21	-	-	-	-	21
Diocesan Catholic Caring Fund	134	-	-	-	-	134
Good Shepherd Fund	57	3	(7)	-	-	53
Academy Support Grant	18	-	-	-	-	18
Newman School (Carlisle) Chapel Fund	84	25	(5)	-	-	104
Newman School Rebuilding Fund	508	4,213	(4,656)	-	-	65
Sundry Funds (restated)	48	-	(3)	-	-	45
	11,661	4,880	(5,087)	(2)	2,237	13,689

Charity: Parishes

Our Lady of Furness, Barrow: grant	10	-	-	(10)	-	-
St John Vianney & St Monica, Legacy	50	-	(14)	-	-	36
Our Lady of Eden, Carlisle, Reverend Turner legacy	18	-	-	-	-	18
Our Lady of Perpetual Help, Carlisle (formerly Our Lady & St Wilfrid, Warwick Bridge, Carlisle), Restoration Fund	6	11	-	-	-	17
St Mary, Fleetwood, legacy	-	193	-	-	-	193
St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund	40	7	(10)	-	-	37
Our Lady of the Assumption & St Cuthbert, Wigton & Silloth	-	9	-	-	-	9
Refugee support projects (various parishes)	52	4	-	9	-	65
Workington Stella Maris Project	-	14	-	64	-	78
	176	238	(24)	63	-	453

Charity total 2021

11,837	5,118	(5,111)	61	2,237	14,142
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Group total 2021

11,837	5,118	(5,111)	61	2,237	14,142
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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
NOTES TO THE ACCOUNTS

13.1 RESTRICTED FUNDS – previous year

Charity: Diocesan Central Agencies

	Opening balance 2019	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance 2020
	£000	£000	£000	£000	£000	£000
<i>Ecclesiastical Education Fund</i>	4,854	162	(140)	(30)	(556)	4,290
<i>Poor Missions Fund</i>	1,861	77	-	(84)	(220)	1,634
<i>Sick and Retired Priests Fund</i>	5,133	197	(318)	100	(572)	4,540
<i>Funds for Overseas Missions</i>	9	-	-	-	-	9
<i>Kirkham Church of St John and RC Purposes</i>	288	9	-	(9)	(40)	248
<i>Catforth, Thurnham & Westby Schools</i>	77	2	-	-	(9)	70
<i>St Ignatius Roof Fund</i>	3	-	(3)	-	-	-
<i>St Ignatius Legacy</i>	21	-	-	-	-	21
<i>Diocesan Catholic Caring Fund</i>	134	-	-	-	-	134
<i>Good Shepherd Fund</i>	64	9	(16)	-	-	57
<i>Academy Supper Grant</i>	18	-	-	-	-	18
<i>Newman School (Carlisle) Chapel Fund</i>	33	51	-	-	-	84
<i>Newman School Rebuilding Fund</i>	3,691	8,076	(11,259)	-	-	508
<i>Sundry Funds (restated)</i>	48	-	-	-	-	48
	16,234	8,583	(11,736)	(23)	(1,397)	11,661

Charity : Parishes

<i>Our Lady of Furness, Barrow: grant</i>	-	10	-	-	-	10
<i>St John Vianney & St Monica, Legacy</i>	-	50	-	-	-	50
<i>Our Lady of Eden, Carlisle, Reverend Turner legacy</i>	18	-	-	-	-	18
<i>Our Lady & St Wilfrid, Warwick Bridge, Carlisle, Restoration Fund</i>	5	1	-	-	-	6
<i>St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund</i>	43	1	(4)	-	-	40
<i>Our Lady of the Assumption & St Cuthbert, Wigton & Silloth</i>	-	23	-	(23)	-	-
<i>St Joseph's, Lancaster, HLF Grant</i>	14	175	-	(189)	-	-
<i>Refugee support projects (various parishes)</i>	18	52	(18)	-	-	52
	98	312	(22)	(212)	-	176

Charity total 2020

16,332	8,895	(11,758)	(235)	(1,397)	11,837
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Group total 2020

16,332	8,895	(11,758)	(235)	(1,397)	11,837
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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021

NOTES TO THE ACCOUNTS

Purpose of restricted funds

The specific purposes for which the funds are to be applied are as follows:

Diocesan Central Agencies

Ecclesiastical Education Fund

Poor Missions Fund

Sick and Retired Priests Fund

Funds for Overseas Missions

Kirkham Church of St John and RC Purposes

Catforth, Thurnham & Westby Schools

St Ignatius Legacy Fund

Diocesan Catholic Caring Fund

Good Shepherd

Academy Support Grant

Newman Chapel Fund

Newman School

Sundry Funds

Parishes

Our Lady of Furness, Barrow: grant

St John Vianney & St Monica, Legacy

Our Lady of Eden, Carlisle, Reverend Turner legacy

Our Lady & St Wilfrid, Warwick Bridge, Carlisle, Restoration Fund

St Wulstan & St Edmund, Fleetwood, Allen Millar Memorial Fund

Our Lady of the Assumption & St Cuthbert, Wigton & Silloth

Refugee support projects (various parishes)

Training of priests and deacons of the diocese.

Support of poor parishes of the diocese.

Financial and medical care of sick and retired clergy of the diocese.

Support for overseas missions at the discretion of the Bishop.

The provision and maintenance of resources and facilities for the people of Kirkham for the pursuit of the Roman Catholic religion, through the church of St John The Evangelist, Kirkham.

The provision and maintenance of resources and facilities for the people of Catforth, Thurnham and Westby for the pursuit of the Roman Catholic religion in these areas and educational purposes.

Legacies received and previously held as general parish funds which were given for the up keep of the parish property now in the Canonical ownership of the Diocese.

To provide support for diocesan sponsored caring activities

To assist diocesan projects that aim to support the poor and disadvantaged, particularly the young and those with special needs.

To assist with costs of setting up school academy trusts.

To provide a new chapel at Newman School, Carlisle which is to be re-built on a new site.

Application of insurance and grant money received to assist with the purchase of a new site, contribution towards construction costs of a new school and any other costs associated with the project and to assist the governors with certain costs associated with operating from a temporary site.

For the purposes of those funds.

To fund buildings maintenance programs.

For the parish building fund.

For the refurbishment/rebuilding of the St Ninian's Chapel, Brampton, Carlisle.

For the restoration of the church of Our Lady & St Wilfrid, Warwick Bridge, Carlisle.

Benefitting the poor and needy parishioners of the parish of St Wulstan & St Edmund's, Fleetwood, Lancashire.

Grant received to help towards cost of external repairs to the church.

To support Syrian refugee families.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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NOTES TO THE ACCOUNTS

13.2 PERMANENT ENDOWED FUNDS

Charity - Lancaster Capital Common Investment Fund

Group- Lancaster Capital Common Investment Fund

Previous year

Charity - Lancaster Capital Common Investment Fund

Group- Lancaster Capital Common Investment Fund

	Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
	£000	£000	£000	£000	£000	£000
Charity - Lancaster Capital Common Investment Fund	470	14	-	(14)	151	621
Group- Lancaster Capital Common Investment Fund	470	14	-	(14)	151	621
Previous year						
Charity - Lancaster Capital Common Investment Fund	551	18	-	(18)	(81)	470
Group- Lancaster Capital Common Investment Fund	551	18	-	(18)	(81)	470

The Lancaster Capital Common Investment Fund represents the endowment fund held by the Charity.

As a direct result of the further scheme of the Charity Commission dated 2 May 2000 (applied on this date but sealed 6 November 2000), as mentioned earlier in the Trustees' Report – Investment Powers, the trustees have transferred a portion of general reserves and reclassified these as an endowment fund "Lancaster Capital Common Investment Fund".

13.3 PARISH GENERAL FUNDS (including designated funds)

Charity

Group

Previous year

Charity

Group

	Opening balance	Income	Expenditure	Transfers	Unrealised gains/losses on investments	Closing balance
	£000	£000	£000	£000	£000	£000
Charity	59,445	4,867	(4,657)	(273)	5,159	64,541
Group	59,730	4,981	(4,903)	(273)	5,158	64,693
Previous year						
Charity	61,672	6,900	(5,937)	(510)	(2,680)	59,445
Group	62,002	7,204	(6,287)	(510)	(2,679)	59,730

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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13.4 DIOCESAN GENERAL FUNDS (including designated funds)

5

	Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
	£000	£000	£000	£000	£000	£000
Charity	859	502	(1,256)	226	11	342
Group	2,896	563	(1,343)	226	396	2,738

Previous year

	867	824	(1,589)	763	(6)	859
	2,551	1,422	(1,632)	762	(207)	2,896

13.5 DESIGNATED FUND (included in general funds)

Charity: Diocesan central agencies

	Opening balance	Income	Expenditure	Transfers	Unrealised gains on investments	Closing balance
	£000	£000	£000	£000	£000	£000
Evangelisation	402	12	(67)	-	-	347
Newbridge House	103	-	(7)	-	-	96
Vocations	21	-	-	-	-	21
Special collections	49	-	-	-	-	49

Parishes none

	575	12	(74)	-	-	513
	-	-	-	-	-	-

Charity total

	575	12	(74)	-	-	513
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Group total

	575	12	(74)	-	-	513
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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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[Previous year](#)

Charity: Diocesan central agencies

Evangelisation
 Newbridge House
 Vocations
 Special collections

£000	£000	£000	£000	£000	£000
504	22	(124)	-	-	402
109	-	(6)	-	-	103
21	-	-	-	-	21
49	-	-	-	-	49
683	22	(130)	-	-	575

Parishes none

Charity total 2020

-	-	-	-	-	-
683	22	(130)	-	-	575

Group total 2020

683	22	(130)	-	-	575
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LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021
NOTES TO THE ACCOUNTS

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

14.1 GROUP

	PARISHES GROUP BALANCES				CENTRAL DIOCESAN AGENCIES GROUP BALANCES				GROUP	2020
	Unrestricted Funds	Restricted Funds	Endowment	Total	Unrestricted Funds	Restricted Funds	Total			
	£000	£000	£000	£000	£000	£000	£000		£000	
Fixed assets	30,979	-	-	30,979	4,985	754	5,739	36,718	38,263	
Investments	20,972	-	621	21,593	2,247	9,960	12,207	33,800	24,144	
Stock	13	-	-	13	1	-	1	14	18	
Debtors	609	-	-	609	206	448	654	1,263	829	
Cash at bank and in hand	9,060	453	-	9,513	1,232	1,721	2,953	12,466	12,135	
Creditors: amounts falling due within one year	(336)	-	-	(336)	(1,654)	(3)	(1,657)	(1,993)	(410)	
Creditors: amounts falling due after more than one year	(74)	-	-	(74)	-	-	-	(74)	(46)	
Internal balances:										
Loans	(2,063)	-	-	(2,063)	2,063	-	2,063	-	-	
Diocesan bonds	5,533	-	-	5,533	(6,342)	809	(5,533)	-	-	
NET ASSETS	64,693	453	621	65,767	2,738	13,689	16,427	82,194	74,933	

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NOTES TO THE ACCOUNTS

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

14.2 Charity

	PARISHES				CENTRAL DIOCESAN AGENCIES				CHARITY	2020
	Unrestricted Funds	Restricted Funds	Endowment	Total	Unrestricted Funds	Restricted Funds	Total			
	£000	£000	£000	£000	£000	£000	£000		£000	
Fixed Assets	30,754	-	-	30,754	4,985	754	5,739	36,493	38,034	
Investments	20,972	-	621	21,593	45	9,960	10,005	31,598	22,947	
Stock	-	-	-	-	1	-	1	1	2	
Debtors	794	-	-	794	14	448	462	1,256	837	
Cash at bank and in hand	9,035	453	-	9,488	1,231	1,720	2,951	12,439	11,987	
Creditors: amounts falling due within one year	(484)	-	-	(484)	(1,655)	(2)	(1,657)	(2,141)	(1,196)	
Creditors: amounts falling due after more than one year	-	-	-	-	-	-	-	-	-	
Internal balances:										
Loans	(2,063)	-	-	(2,063)	2,063	-	2,063	-	-	
Diocesan bonds	5,533	-	-	5,533	(6,342)	809	(5,533)	-	-	
NET ASSETS	64,541	453	621	65,615	342	13,689	14,031	79,646	72,611	

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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15 CONTINGENT LIABILITIES

In the opinion of the trustees there were no contingent liabilities in existence, other than in the normal course of the activities of the charity, as at 5th April 2021 or at 5th April 2020.

16 RELATED PARTY TRANSACTIONS

Due to the nature of the charity's operations and the composition of the trustee body, it is inevitable that transactions will take place with organisations in which a member of the trustees may have an interest. Such transactions involving organisations in which a member of the trustee body may have an interest are conducted at arm's length.

Following his appointment as Bishop of Lancaster in April 2018, Right Reverend P Swarbrick holds positions on non-diocesan bodies, including Ushaw College.

The diocese holds one of nine £1 ordinary shares issued by Inter-Diocesan Fuel Management Limited (IFM), a company set up in conjunction with eight other dioceses in order to obtain competitively priced energy for diocesan properties. The profits of the company are covenanted to the participating dioceses under Deed of Covenant. The majority of all fuel payments are made through the IFM bulk buying scheme.

At 5th April 2021 an amount of £92,456, unchanged, (2020 £92,456) was owing to the diocese from IFM in respect of overpaid contributions and is disclosed in the accounts under other debtors.

At the 5th April 2021 an amount of £135,213, (2020 £101,017) was owed to IFM from individual parishes and other bodies in respect of fuel charges and is disclosed under other creditors. See note 12.

The Blessed Edward Bamber Catholic Multi Academy Trust (BEBCMAT) is considered a related party as both the Roman Catholic Bishop of Lancaster and the Lancaster Roman Catholic Diocesan Trustees are members of BEBCMAT.

During the year the Diocesan Education Service received the following amounts from BEBCMAT:

	<u>2021</u>	<u>2020</u>
	£	£
Inspection fees	-	1,000
Training & conference fees	-	1,935
Building support services		
School governance support service	18,221	16,840
Academy support services	Nil	Nil

17 HERITAGE ASSETS

The diocese, via its parishes, holds work of art, historic treasures, plate and similar items which are not capitalised in these accounts. In the opinion of the trustees these are considered to be historical assets which are integral to the charity's overall objectives of advancing the Roman Catholic religion and do not fall under the definition of heritage assets.

The charity does not actively seek to either acquire or dispose of such assets and no such assets were acquired or disposed of during the year to 5 April 2021. The trustees consider that it would be prejudicial to the safe custody of these assets to disclose details of their value and usage in these accounts.

LANCASTER ROMAN CATHOLIC DIOCESAN TRUST
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18. NEWMAN SCHOOL, CARLISLE

Newman School, Carlisle suffered catastrophic flooding as a result of Storm Desmond in December 2015, the third flood within 10 years. Due to the history of flooding the Diocesan Trustees in conjunction with the School Governors took the decision to re-house the school on a new site with low risk of flooding.

The funding of the acquisition of the new site and the cost of building a new school is from a mixture of grants provided by but Cumbria County Council and the DFE together with substantial insurance receipts. The insurance receipts have also been used to assisting the School Governors with certain additional costs of operating from the temporary site.

The income received and the expenditure incurred in the acquisition of the new site, meeting certain costs of the temporary site and the cost of construction and any other costs associated with the project will be accounted for as revenue items and not capital. This is consistent with the diocesan policy of carrying all land and buildings dedicated for schools at nil value.

The following income and expenditure has been received and expended in connection with Newman School Carlisle:-

	2021	2020
	£000	£000
<u>Income charitable activities:</u>		
Grants received	3,638	7,690
Insurance claim receipts	575	385
	<u>4,213</u>	<u>8,075</u>
<u>Expenditure on charitable activities:</u>		
Support of education & youth services	(4,656)	(11,258)
Movement on fund	(443)	(3,183)
Funds b/f	508	3,691
Funds c/f	<u>65</u>	<u>508</u>

The expenditure included under "support of education" youth services include all costs of acquisition of the new site and building of a new school and meeting some of the cost of the temporary site.

The unused balance is carried forward and included within restricted funds.

The building work was completed in July 2020 and the new school opened to pupil is September 2020. The final retention payment is still to be made.