LEEDS DIOCESAN TRUST

England & Wales · Charity number 249404

Details

Other names	DIOCESE OF LEEDS
Status	Registered
Legal form	Trust
Company number	02886244
Registered	1966-09-12
Register	View on the Charity Commission register

Contact

Address	Diocese Of Leeds Pastoral Centre Hinsley Hall 62 Headingley Lane Leeds LS6 2BX
Phone	01132618024
Email	john.moran@dioceseofleeds.org.uk
Website	www.dioceseofleeds.org.uk

Activities

Objects: THE ADVANCEMENT OR MAINTENANCE OF THE ROMAN CATHOLIC RELIGION IN THE ROMAN CATHOLIC DIOCESE OF LEEDS.

Activities: The principal aims of the Charity are:The advancement of the Roman Catholic ReligionThe promotion of Catholic teaching The provision and maintenance of churches, presbyteries and schoolsThe provision and care of priests.

Classification

- **How:** Other Charitable Activities
- **What:** Religious Activities
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** ROMAN CATHOLIC DIOCESES OF LEEDS.
- East Riding Of Yorkshire
- Leeds City
- North Yorkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£12,720,000	£14,989,000	£52,529,000	156
2024-03-31	£13,072,000	£14,440,000	£54,543,000	165
2023-03-31	£12,062,000	£12,773,000	£57,039,000	174
2022-03-31	£12,352,000	£11,894,000	£58,078,000	159
2021-03-31	£8,438,000	£9,410,000	£56,777,000	147

Trustees

Name	Role	Appointed
DIOCESE OF LEEDS TRUSTEE		1994-01-11

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LEEDS DIOCESAN TRUST

England & Wales - Charity number 249404

Accounts

Leeds Diocesan Trust

Registered Charity Number 249404

Report and Consolidated Financial Statements

For the year ended

31 March 2025

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DIRECTORS AND ADVISORS

Trustee

Diocese of Leeds Trustee
(Company registration number 2886244)
Registered Office: Hinsley Hall, 62 Headingley Lane, Leeds, LS6 2BX

Directors of the Trustee

Rt Rev M Stock	(Bishop of Leeds)
Rev Mgr P Fisher	(Vicar General)
Rev Mgr A Summersgill	(Vicar General)
Very Rev E Hegarty	
Mrs M Benton	
Mr L Corcoran	
Mr M Gargan	(resigned 24 April 2024)
Mr L Kelly	
Mr P McDermott	
Mr W O'Neill	
Ms H Wain	(resigned 3 July 2024)
Mr P Wilson	

Registered Office

Hinsley Hall, 62 Headingley Lane, Leeds, LS6 2BX

Company Secretary to the Trustee

Mr J Moran

Auditor

Saffery LLP, 10 Wellington Place, Leeds, LS1 4AP

Banker

HSBC Bank plc, 33 Park Row, Leeds, LS1 1LD

Investment Manager

Rathbone Investment Management, 30 Gresham Street, London, EC2V 7QN

Solicitors

Wrigley Solicitors LLP, 1st Floor, 3 Wellington Place, Leeds LS1 4AP
Hill Dickinson LLP, No 1 St Paul's Square, Liverpool, L3 9SJ

REPORT OF THE TRUSTEE

The Trustee presents its Annual Report and the audited Consolidated Financial Statements of the Charity for the year ended 31 March 2025.

CONSTITUTION AND AIMS

The Charity, the Leeds Diocesan Trust ("the Diocese"), is a registered charity with the registration number 249404. The Charity was established in its current form by a Trust Deed dated 20 December 1993. The sole Trustee of the Charity is a trust corporation, the Diocese of Leeds Trustee, company registration number 2886244.

In support of the Mission of the Catholic Church, the principal objectives of the Charity are:

- Advancement of the Catholic Religion;
- Promotion of Catholic Teaching in the Diocese and beyond;
- Provision and care of Priests; and
- Maintenance of Churches, Presbyteries and Schools.

The Trustee confirms that it has complied with the requirements of the Charities Act 2011 Section 17 to have due regard to the public benefit guidance published by the Charity Commission, including the guidance "Public benefit: running a charity (PB2)" in determining the activities undertaken by the Charity. Throughout this Annual Report, the Trustee seeks to demonstrate that the Charity's principal aims and objectives are for the public benefit.

The Diocese consists of 74 Parishes, in West Yorkshire, North Yorkshire, the East Riding of Yorkshire, Greater Manchester and Lancashire. The Diocese also has 92 Catholic Schools, Academies and Colleges. Leeds Trinity University, a Catholic University, is also located within the Diocese.

GOVERNANCE

Good governance provides confident, transparent and strategic leadership to the Diocese in fulfilling its charitable objectives by creating a culture with robust accountability, oversight and assurance in the delivery of those charitable objectives.

The operation of the Charity is overseen by the Trustee. The Directors of the Trustee are appointed by the Bishop of Leeds, who is Chair of the Trustee Board. There were four Trustee Board meetings during the financial year.

Under Canon Law, the Trustee Board is the Diocesan Finance Council.

The Bishop of Leeds and the Vicars General are ex officio Directors of the Board. All other Directors are appointed for a term of three years, which may be renewed, subject to performance and review, for an additional two terms of three years each.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Directors are recruited from the Clergy and suitably qualified and experienced members of the wider Catholic community. The recruitment process follows safer recruitment practice, which includes a Disclosure and Barring Service (DBS) check. On their appointment, new Directors are provided with an induction programme. The programme includes an introduction to their role and responsibilities as Directors and information on the Trust's governing documents and committee structures. Directors are given briefings on the Diocese's work in Parishes and the role and functions of Curia departments. Directors regularly attend formal and informal training sessions.

Following the appointment of seven new Directors in September 2023, in October 2024, the Trustee established a working group to review the Board's performance. The process comprised an anonymous questionnaire to all Directors and Curia officials who regularly attend Board meetings. The working group also interviewed Curia heads of department and the Clerk to the Board.

The working group will report its findings and recommendations to the September 2025 Trustee Board meeting.

As disclosed in Note 10 to the Financial Statements, Directors do not receive any payments in respect of their Office. No reimbursement of expenses was paid to the Directors of the Trustee in either the current or prior year.

The Trustee Board has three principal Sub-Committees:

Safeguarding Sub-Committee

The Safeguarding Sub-Committee (SSC) consists of:

Directors

- Rev Mgr P Fisher
- Mr P McDermott (Chair)
- Mr L Corcoran

Members

- West Yorkshire Police representative
- HM Prison and Probation Service representative
- Safeguarding Adults Services representative
- Safeguarding Children Services representative
- Independent safeguarding consultants
- Criminal, safeguarding and other legal specialists

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Education Sub-Committee

The Education Sub-Committee (ESC) consists of:
Directors

- Mrs M Benton
- Mr L Kelly (Chair)

Members

- Rev Mgr P Grogan (Episcopal Vicar for Education)
- Mr S Gregson
- Mrs M Morgan

Finance Sub-Committee

The Finance Sub-Committee (FSC) consists of:
Directors

- Rev Mgr P Fisher
- Rev Mgr A Summersgill (Chair)
- Mr W O'Neill
- Mr P Wilson

Members

- Very Rev Canon G Kearney
- Very Rev Canon M Larkin
- Mr T Forbes

Planning and Review Group

A Planning and Review Group (PRG) supports the Moderator of the Curia in making and implementing operational decisions on the Diocese's finance, property and HR activities (including its trading subsidiary, Hinsley Properties Limited).

The Planning and Review Group (PRG) consists of:
Directors

- Rev Mgr A Summersgill (Chair)
- Rev Mgr P Fisher
- Mr W O'Neill

and the Company Secretary, Mr J Moran.

Reflecting Canon Law, this report separates the Charity's activities between Parishes and Curia.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Parishes

The Diocese is divided into distinct Parishes. Parish Priests are appointed by the Bishop to exercise pastoral care for the Parish community, which includes representing the Parish in all juridic affairs and ensuring that the Parish is administered in accordance with the norms of Canon Law, in fulfilment of the aims of the Charity.

As encouraged by the "Directory for the Pastoral Ministry of Bishops", the Bishop, in consultation with Priests and the Lay Faithful, regularly reviews the Parish structure to ensure long-term pastoral sustainability. The Bishop undertakes "Parish Visitations" where he personally reviews each Parish on a rolling five-year programme.

Each Parish is required by Canon Law to have a Finance Council to assist the Parish Priest in the administration of the Parish. Parish Finance Councils (often known locally as the Parish Finance Committee) include Parishioners with knowledge and experience in finance, property management and administration.

Curia

The Curia consists of Departments and Agencies which assist the Bishop in the governance of the Diocese. The Bishop delegates oversight of the Curia to the Moderator, Rev Mgr A Summersgill. The Curia collaborates with the Parishes to fulfil the Charity's principal objectives, to ensure that statutory obligations are met and to promote best practice in safeguarding, health and safety, data protection and financial management.

The remuneration of Key Management Personnel is disclosed in Note 10 to the Financial Statements. The annual pay award is approved by the Trustee, and job roles and remuneration are reviewed periodically.

Safeguarding

Safeguarding of children, young people and adults at risk is fundamental to the Mission of the Diocese in all aspects of its ministry. Safeguarding is everyone's responsibility, and as such, all Clergy, employees and volunteers have a role to play in ensuring that the Catholic Church is a safe place. Underpinning this are the Diocese's governance structures to ensure that there is appropriate oversight and delivery of effective safeguarding in line with Canon Law, Charity Law and national standards, policies and protocols.

The Trustee is accountable for the Diocese's safeguarding of children, young people and adults at risk. The Safeguarding Sub-Committee (SSC) is responsible to the Trustee to ensure that a culture of safeguarding pervades all areas of the Diocese's Ministry. The SSC has oversight of the Safeguarding Team to ensure safeguarding is delivered effectively, and, where appropriate, to give advice and guidance on the management of individual cases and the strategic direction of safeguarding throughout the Diocese.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding (continued)

In July 2024, the Diocese's safeguarding arrangements were audited by the Catholic Safeguarding Standards Agency's (CSSA). The CSSA granted an overall grading of "Results Being Achieved."

> "at this time, following the impact of the Covid-19 pandemic and absence of a full-time permanent Safeguarding Coordinator in 2022/23; the Diocese have since committed to a rapid programme of improvements across all areas of Safeguarding in the last 12 months, which is reflected in the grades achieved."

The Executive Summary of the CSSA's report is available on the Diocese's website: Diocese of Leeds Baseline Audit Report Executive Summary.

Safeguarding interventions and support services continue to focus on responding to the needs of victims and/or survivors and, where necessary, taking prompt action to protect children, young people or adults who may be at risk. Multi-agency working is a priority for the safeguarding team, and there are established close working relationships with the Police, Probation Service and Social Care.

The SSC was strengthened by recruiting a further 5 members in December 2024, enhancing the expertise of the group with current members from a variety of backgrounds, including the Police, Probation, children and adult services and Magistrates Court.

It is essential that Safeguarding is embedded, promoted, and adhered to in all aspects of the life and ministry of the Church. The Diocese requires consistent training in safeguarding for Clergy, employees, and volunteers. The Diocese has supported 5 full day sessions of safeguarding training for the Clergy. At 31 March 2025, 94% of Clergy had received their training compared to a CSSA target of 95%. The roll out of training for volunteers has been identified as a challenge and the Safeguarding Team works with Parishes to identify training needs by monitoring the uptake and completion of modules on the CSSA Learning Portal.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding (continued)

The Safeguarding Team works closely with Parishes on the safer recruitment of adults whose role and responsibilities include contact with children, young people and adults at risk. The Safeguarding Team implements all statutory guidance from the CSSA and Disclosure and Barring Service (DBS), which ensures that 3-year rechecks for all are completed.

The Diocese has a total of 2,096 DBS checks of which 1,786 are valid within the 3-year check remit. 136 are overdue, and 174 are in progress. In the year ended 31 March 2025 the Safeguarding Team completed 605 (2024: 803) DBS checks with a further 107 DBS checks in progress.

In February 2025 the Diocese held its first Safeguarding Conference with a focus on victims and survivors. Bishop Marcus is very grateful to the speakers from the Comboni Survivors Group, The Hydrant Programme, Dementia Awareness, and the personal perspective from an offender currently receiving support from the Safeguarding Team. Feedback from the delegates at the conference was extremely positive.

After the year-end, 20 May 2025 was a national day of prayer for survivors of abuse. Bishop Marcus presided over a special Liturgy at Leeds Cathedral during which he solemnly blessed a permanent memorial to victims and survivors of abuse, an Icon of St Raphael the Archangel, to encourage prayer for the healing of all those who have suffered from all forms of abuse as children or adults:

> "It is an opportunity to reflect on the impact of abuse on individuals, their families and friends, and the communities of which they are part."

Bishop Marcus and the Directors are grateful to Parish Safeguarding Representatives for the essential role they play in delivering the Diocese's commitment to safeguarding.

The Safeguarding Team can be contacted on 0113 2618046 or by email at safeguarding@dioceseofleeds.org.uk

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Education

Essential to fulfilling the Diocese's Mission and therefore a principal objective of the Charity, "Promotion of Catholic Teaching in the Diocese and beyond", is the role of the Vicariate for Education in delivering faith formation in Schools, Colleges and Parishes. The Education Sub-Committee (ESC) is responsible to the Trustee to monitor and provide strategic support to the Vicariate for Education by:

Catholic Education in Schools and Colleges

- Advising on significant changes in legislation which impact on Catholic Education;
- through the Vision for Catholic Education in the Diocese, overseeing the development of Catholic Education Trusts (CETs) and collaboration between them; and
- fostering high-quality governance and leadership and best practice in all Schools and colleges.

Lifelong Faith Formation

- Reviewing the effectiveness of the Vicariate for Education's initiatives and support for Deaneries and Parishes;
- overseeing the Diocesan programme of accredited courses and developing formation resources for liturgical seasons across the Church's year;
- ensuring that the Diocese is represented at local, national and international evangelisation forums; and
- ensuring that high-quality Sacramental Resources are available to support Catechesis in our Parishes.

Youth Formation

- Ensuring that the Diocese is engaged in local, national and international youth residentials, day pilgrimages and other youth events;
- collaborating with 'The Twelve' (the Bishop's Youth Leadership Team) as a voice for young people; and
- supporting training, development and networks for Lay Chaplains in Schools across the Diocese.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Finance

Good stewardship is integral to the Mission of the Diocese, and the Finance Sub-Committee (FSC) is responsible to the Trustee to ensure that the Diocese's day-to-day financial, property, investment, and administrative matters meet all statutory requirements and follow best practice.

The FSC meets monthly and advises the Trustee Board on property acquisitions and disposals, significant capital projects, and property and overhead expenditures. On a quarterly basis, the FSC reviews the Diocese's Consolidated Financial Statements, Cash Flow projections and the Diocese's Risk Register.

The Diocese's internal financial reporting systems and processes provide assurances to the Trustee, Curia Senior Management, Parish Priests and Parish Finance Committees on the integrity of the financial accounting and governance procedures within Parishes and Curia Departments.

The Curia Finance and Property Departments work with Parishes to develop their local financial strategy and plans, in order that they can both meet their day-to-day operational commitments and plan for larger non-recurring costs typically associated with the repairs and maintenance or upgrade of Parish property. A key component of this work is identifying grant funding opportunities.

Planning and Review Group

The Planning and Review Group (PRG) is responsible to the Trustee for facilitating and steering the development of the Diocese's property and finance strategy. The PRG has oversight and provides direction on:

- The Diocese's strategy and planning so that it is appropriate to its Mission;
- trading performance of the Charity's trading subsidiary, Hinsley Properties Limited;
- the efficient management of the Diocese's land and buildings portfolio;
- the Diocese's Risk Register; and
- the Diocese's Human Resources policies, processes and practices.

Risk Management

The Trustee's Risk Register is reviewed quarterly. Risks are classified as strategic, operational and/or financial. Key risks are considered to be the reputation of the Diocese, Mass attendance, levels of offertory giving, the number of Priests in active ministry and the age profile of parish properties. The Trustee implements policies and procedures to mitigate or minimise these risks and monitors their effectiveness.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Health and Safety

The FSC is responsible to the Trustee for keeping the Diocesan Health and Safety Policy under review, and it works with internal and external Health and Safety professionals to ensure that best practice is maintained throughout the Diocese in its processes and procedures.

The day-to-day management of the Diocesan Health and Safety Policy is undertaken by the Curia's Property Department, which includes a full-time Health and Safety professional. The Curia's Property Department visits each Parish regularly to ensure that it meets all its Health and Safety obligations and, through its shared services, provides practical bespoke support to Parish Priests in the management of their property portfolios, including statutory testing, coordination of Portable Appliance Testing (PAT) and oversight of Fire Risk Assessments.

An e-learning Health and Safety training package promoted by the Diocese's insurance advisors, Catholic Insurance Services Limited (CIS), was launched in 2024 to Clergy and Employees. During the year this online e-learning package has been extended to include volunteers in a group setting.

Fundraising

The majority of funding is received from Parishioners principally through the weekly Offertory collection, planned-giving (standing orders), special collections and fundraising activities.

Bishop Marcus and the Directors express their sincere gratitude for the continuing generosity of Parishioners when there are ongoing pressures on household budgets.

The Diocese follows the Fundraising Regulator's Code of Fundraising Practice. The Diocese does not employ outside agencies to raise funds. In the current year one complaint was received in respect of fundraising (2024: none).

Data Protection

The Diocese takes seriously its legal and moral obligations for Data Protection. The Diocese has a dedicated Data Protection Officer (DPO) who provides guidance and support on Data Protection to Clergy, Staff and Volunteers in Parishes, Curia Departments and agencies. The Diocese's Privacy Notice and the DPO's contact details are published on the Diocese's website www.dioceseofleeds.org.uk/privacy-notice/.

The DPO attends regular training sessions and is a member of the Church's national forum to share best practice.

During the year ended 31 March 2025 no data breaches were reported to the Information Commissioner's Office (ICO) (2024: none), and no Data Subject Access Requests (DSAR) were received (2024: one).

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Volunteering

Volunteers (whose roles are a public benefit as articulated in the Charity's principal objectives) play a central role in fulfilling the Mission of the Church in the Diocese. Parish volunteers are involved in all aspects of the spiritual, pastoral and social life of their Parish communities. Volunteers serve in a variety of roles, including as Catechists, Welcomers, Altar Servers, Musicians and Cleaners. Within the wider Parish, there are volunteers visiting the sick, the housebound and those on the margins of society, as well as providing very practical support through operating food banks and delivering Christmas hampers. These ministries are often carried out in conjunction with other Catholic charities such as the Society of St Vincent de Paul (SVP), CAFOD or Catholic Care.

Parish Safeguarding Representatives work with the Safeguarding Team to ensure that all volunteers are DBS checked to the appropriate standard for the role they are undertaking and that best safeguarding practices are integral to their ministry.

Volunteers working in Diocesan agencies such as the Justice and Peace Commission and St Patrick's Mission provide a vital contribution to supporting the most disadvantaged members of society throughout the Diocese, often engaging with Government and other national agencies and forums. This public benefit work is carried out irrespective of the faith, sexual orientation or ethnic background of those in need.

Volunteers also play a significant role in the governance, financial, and property management of their Parishes. Across the Diocese, there are more than 1,200 volunteers providing an estimated 15,000 hours of work in these areas. Whilst it is not practical to place a definite monetary value on this work, an indicator based on the Living Wage Foundation hourly rate of £12.60 per hour (2024: £12.00 per hour) would suggest a value of at least £189k (2024: £156k) per annum.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE

A review of the Charity's principal charitable objectives and its Public Benefit is outlined below. The Charity delivers its principal charitable objectives through its Parishes, Schools and Agencies supported by the Diocesan Curia and the Diocese's Pastoral Centre (which is managed through the Charity's trading subsidiary undertaking, Hinsley Properties Limited).

1. Advancement of the Catholic Religion

The Diocese supports and encourages the promotion of the Catholic Religion at a local, national and international level. Faith is nurtured and expressed by the Faithful within their Parishes. As well as regular Sunday and weekday Masses, Parishes offer a wide range of formal and informal opportunities for Parishioners and those new to the Church to explore the Faith further. Typically, this includes residential retreats, courses such as the Rite of Christian Initiation of Adults (RCIA), Alpha in a Catholic Context or the Sycamore Programme. The Pastoral Statistics from October 2024 indicate that 1,451 (October 2023: 1,536) individuals were baptised, of whom 191 (October 2023: 142) were over 7 years of age. In the same period, a further 95 (October 2023: 72) were received into the Catholic Church.

Within our Diocese, the Afro-Caribbean, Eritrean, Hungarian, Italian, Lithuanian, Polish, Syro-Malabar and Ukrainian Chaplaincies complement Parish life, enabling members of these communities to worship in their own language and reflecting the richness of the liturgical Rites within the Catholic Church. Signed Masses take place on a monthly basis at Leeds Cathedral and Caritas Leeds is involved in dementia-friendly initiatives. There is also a monthly Cupertino Mass, with a more accessible liturgy, particularly for those with additional needs. Priests, Deacons and Laity are Chaplains in hospitals, hospices and prisons throughout the Diocese.

Sunday Mass attendance averaged 19,922 (October 2023: 19,796) in the annual attendance count in October 2024. This represents an increase of 0.6% (2023: 9.3%) compared to the prior year.

The Church's rich liturgical traditions are expressed publicly every time Mass or other Liturgies are celebrated. In July 2024, Leeds Cathedral celebrated the Centenary of its Consecration with a programme of events including a Novena of Prayer, Solemn High Mass followed by a Civic Reception and a celebratory concert. The Batley Torchlight Procession is a well-attended annual event. Annual Diocesan Pilgrimage Walks, co-ordinated by the Diocesan Director of Communications are a public witness to promote the Catholic Faith. These pilgrimages include the established St Wilfrid's Way between Leeds Cathedral and Ripon and the Pilgrimage Walk for Vocations "In Father Brown's Footsteps." Further "green" walking pilgrimages feature in the 2025 Jubilee Year with its theme "Pilgrims of Hope".

In preparation for the Jubilee Year of Hope, in September 2024 a delegation from the Diocese attended the National Eucharistic Congress (Adoremus) event at St Mary's College, Oscott. For the Holy Year, Bishop Marcus has also designated 10 churches and all Prison Chapels across the Diocese as Jubilee Pilgrimage Churches.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

1. Advancement of the Catholic Religion (continued)

Parishes are engaged in local initiatives with other charitable organisations with objectives compatible with the Charity. Parish Centres are used by members of the wider communities in which they are based, acting as venues for youth groups, uniformed organisations and other community organisations. Parishes either organise or work with other charities in running food banks, lunch clubs, warm spaces and counselling services. Financial support to these organisations is provided through local second collections and Parish fundraising events and activities.

Catholic Care (a Diocesan charity) coordinates the work of Caritas Leeds. Caritas Leeds (a non-service provider agency) provides a forum for representatives of parish projects involved in charitable outreach to collaborate, identify and satisfy new areas of need within the Diocese. Catholic Care is excellently placed to assist the Bishop, Clergy, religious and lay faithful of the Diocese to put many aspects of Catholic Social Teaching into practice. Catholic Care offers guidance to parish groups and introduced a 'toolkit' in early 2025, 'Supporting parishes across the Diocese', covering the different stages involved in delivering new activities and charitable initiatives.

St Patrick's Mission is a centre for Catholic renewal based in the City of Bradford. This is a collaboration between the Diocese and the Franciscan Friars of the Renewal that creates a culture of Catholic spiritual renewal and missionary outreach in Bradford's city centre. It provides concrete works of Christian charity to the poor and destitute through the operation of a soup kitchen and clothing bank, as well as providing opportunities to evangelise amongst those who visit, work, and shop in Bradford's city centre (www.facebook.com/StPioFriary/). On 1 February 2025, to highlight the Christian culture of Bradford during the UK City of Culture year, the Friars organised a procession through the centre of Bradford in honour of Bradford's Patron Saint, St Blaise.

Parish Second Collections are disclosed as a Restricted Fund in Note 19(b) to the Financial Statements. In the year ended 31 March 2025 £467k (2024: £429k) was received to support the work of the Church:

- Internationally (Peter's Pence, Mission (World Mission Sunday));
- Nationally (Stella Maris, Racial Justice, Day for Life, the Catholic Education Service and Catholic Communications); and
- Within the Diocese (Poor Mission Fund, Catholic Care, Peru Mission, Priests Retirement Fund, Priests Training Fund, Lourdes Fund, Youth Services and Home Mission Sunday).

Parishes also support the Church's international outreach work in countries such as Ethiopia, India, Kenya, Pakistan and Zimbabwe.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching

Vicariate for Education

The Diocese covers all eight local authorities of West Yorkshire, parts of North Yorkshire, the East Riding of Yorkshire and Lancashire and has 92 Catholic designated educational establishments consisting of 78 Primary Schools, 12 High Schools, a Sixth Form College, and a non-maintained residential Special School (St John's Catholic School for the Deaf, a registered charity for which the Trustee is also the Trustee). The Diocese has close partnerships with Leeds Trinity University.

The Diocese's five Catholic Multi-Academy Trusts (CMATs) continue to support Schools. Each CMAT has an established central team to support Schools in School improvement, finance, HR, estates management and governance, with CMATs sharing best practice. At 31 March 2025, 82 per cent of Diocesan Schools had converted from Voluntary-Aided Schools to Academy Status and are members of a CMAT.

The Vicariate for Education is proactive in its collaboration with national and regional statutory bodies, including the Department for Education and its Regional Director, Ofsted and Local Authorities, to promote the highest educational standards throughout our Diocesan Schools.

The Episcopal Vicar for Education recognises the commitment and dedication of our volunteers in their essential support for the work of the Schools and colleges as Trust Directors and School Governors. The contribution of Trust Directors and School Governors is essential in ensuring that the Mission of Proclaiming the Gospel is fulfilled in our Schools. The Episcopal Vicar for Education also recognises the huge and valued commitment of the staff across our educational establishments who continue to give generously in their vocation to our School and Trust communities.

The Vicariate for Education, supported by the Catholic Education Service (CES), works closely with Schools and Trusts in ensuring that Catholic Life and Mission is central to all our Schools and the provision of a Religious Education (RE) syllabus. Key to the provision of an inspiring RE syllabus is the Continuous Professional Development (CPD) for RE teachers, in partnership with RE Today. All Schools are regularly inspected in line with the National Catholic School Inspection Framework.

The National Catholic Leadership Programme enables the Vicariate for Education to continually assess the potential impact recruitment challenges place on Catholic leadership and gives prospective headteachers a full insight into leadership in Catholic Schools. It has proven to lead to the successful appointment of headteachers.

The Youth Team complements the work in our Schools with a programme of well-established events and collaborations throughout the year.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

Vicariate for Education (continued)

At a national level, the Youth Team works with the Catholic Youth Ministry Federation (CYMFed).

The Lourdes Pilgrimage and Summer Camp at Savio House Retreat Centre, Cheshire are well established annual events.

The Youth Team continues to support the work of Faith in Action across Schools and parishes. Monthly "Revelation" sessions at Hinsley Hall provide an opportunity for young people in School years 8 to 13 to come together in faith to explore the successes and challenges they face and to have fun.

The Youth Team has a regular programme of events for "The Twelve" including developing their leadership role and their work with Caritas Leeds and Leeds Citizens.

As part of their engagement in Schools, the Youth Team designed a canvas with the Jubilee logo to act as a focal point as it pilgrimages through the Diocese to all Schools celebrating the Jubilee Year, through liturgy, prayer and community action.

Diocese of Leeds Music

Diocese of Leeds Music complements the work of the Vicariate for Education in our Catholic Schools and CMATs through its Schools Singing Programme (SSP) and its Keyboard Studies Programme (KSP). Both programmes focus on bringing the sacred scriptures and the Christian faith alive in the hearts of the children and young people who participate and also in those of their families, their communities and all who hear and see them.

Diocese of Leeds Music's strategic impact is measured in terms of evangelisation (the participation of young people in Parish life and whole-School acts of worship) and inclusion (many Diocesan Schools are within communities which rank among the most deprived 10% nationally (Index of Multiple Deprivation 2019)). Diocese of Leeds Music strives to ensure that the Church's patronage of the arts is available to foster catechesis, individual aspiration and collective flourishing for the children and young people in these communities.

Children participate in a variety of liturgical celebrations, concerts and musical festivals. Diocese of Leeds Music works closely with the Diocesan Director of Communications, contributing to the Catholic Voice and BBC broadcasts by the Leeds Cathedral Choir, including the BBC Radio 4 broadcast of Midnight Mass at Christmas 2024. An episode of BBC Radio 4 Sunday Worship for Pentecost 2025 involved over 600 children from the Diocese's Schools and choirs singing Pilgrims of Hope, the official hymn of the Year of Jubilee.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

Diocese of Leeds Music (continued)

Schools Singing Programme (SSP)

The SSP is a funding collaboration between Diocese of Leeds Music, Parishes and Schools. The SSP delivers weekly training in liturgical music to approximately 6,800 children in 75 Schools and colleges. A generous grant from the Vinehill Trust has enabled the SSP to significantly expand its work in recent years, supporting additional full-time choral directors.

The SSP runs 18 boys' and girls' after-School choirs across the Diocese, which complement the weekly whole-class singing sessions, and includes seven choirs at Leeds Cathedral. Choirs sing at Masses and other liturgies at Leeds Cathedral and in Parishes across the Diocese.

Partnerships with Gabrieli and The Sixteen, two internationally renowned choral ensembles, give children from diverse backgrounds the opportunity to sing in public concerts, and they act as role models for careers in the arts. Diocese of Leeds Music also hosted groups which come to study and work with the SSP, including visits from Vanderbilt University and the University of Texas at El Paso.

During the year, a new Community Choir for adults was launched with 50 members.

Keyboard Studies Programme (KSP)

The KSP enables approximately 1,500 children to learn to read music while playing the melodica, a low-cost, durable, and portable instrument. This provides a pathway for lessons on related keyboard instruments: classical accordion, piano and organ. Generous support from an individual's bursary fund, local trusts and foundations enables children, irrespective of their families' resources, to participate in all stages of the KSP.

The seventh Leeds International Organ Festival included recitalists Kamil Mika, Alessandro Bianchi, Graham Barber and Friedhelm Flamme, alongside Diocese of Leeds Music staff and scholars.

National Schools Singing Programme (NSSP)

NSSP is in its fifth year of development. Grants from the Vinehill Trust and Benefact Trust provide seed funding for other Catholic dioceses, Anglican cathedrals and an independent School to establish their own SSP. Senior members of Diocese of Leeds Music staff provide support and advice to these organisations in their SSP development.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

3. Provision and Care of Priests

Central to Parish life is the relationship between the Parish Priest, Assistant Priests and Parishioners. The welfare of Priests is defined in Canon Law. Parishes are responsible for the support of their own Priests. During the year, Parishes paid £720k (2024: £776k) in allowances and offerings, £376k (2024: £360k) in housekeeping costs and £118k (2024: 108k) in travel expenses to Priests.

Key to sustaining the advancement of the Catholic Religion is the promotion and support of vocations to the Priesthood and the Permanent Diaconate.

The Vocations Director engages with men and women discerning vocations to the Priesthood, Religious and Consecrated Life. This is achieved through individual accompaniment, discernment groups and through the University Chaplaincies and the High Schools in the Diocese. The Diocese has two (2024: three) men training for the Priesthood. In the year ended 31 March 2025, the Priests' Training Fund income of £22k (2024: £20k) was received from the Parish Second Collection towards seminary fees and living allowances expenditure of £69k (2024: £95k).

To support Priests in their ministry, the Directors of Ongoing Spiritual and Pastoral Formation provide a programme of reflection and study consisting of residential and day events and an Annual Presbyteral Conference at Hinsley Hall. The residential conference is important to help nurture fraternal links within the Presbyterate.

The Diocese supports Priests who have retired from active ministry by providing appropriate living accommodation and an allowance to supplement their statutory pensions. The Diocese has a collaboration agreement with Catholic Care, a registered charity (as disclosed in note 21 to the Financial Statements) to provide welfare and other practical support to retired Priests. Catholic Care has the expertise to provide assessments for Priests' immediate and future housing needs and to ensure that retired Priests are receiving appropriate welfare and medical support. This is a bespoke service, tailored to meet the changing needs of each retired Priest.

In the year ended 31 March 2025 income to the Priest's Retirement Fund consists principally of Dividend Income of £110k (2024: £118K) and donations from the Second Collection of £22k (2024: £18k). This supported grant payments of £357k (2024: £332k) to retired Priests.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

3. Provision and Care of Priests

Permanent Deacons

The work of the Bishop and Priests is supported by men ordained to the Permanent Diaconate. The Diocese currently has 22 Permanent Deacons (2024: 22). There are four (2024: three) candidates in formation for Ordination. Permanent Deacons are ordained for a ministry of service to the Church through their involvement in the liturgy, teaching and works of charity. The Bishop allocates Permanent Deacons to parishes and deaneries. Permanent Deacons may also have specific pastoral responsibilities such as chaplaincy, governance and administrative activities, taking into consideration their family and career responsibilities. The Directorship of the Permanent Diaconate is comprised of three Deacons with roles which encompass recruitment, formation and pastoral care for Permanent Deacons in active ministry and those who have retired from active ministry.

The formation of Permanent Deacons is provided by The Northern Diaconal Formation Partnership (a Charitable Incorporated Organisation): Each participating Diocese appoints a Trustee and pays an annual subscription based on its number of students. A significant proportion of the formation of the students takes place at the Diocesan Pastoral and Conference Centre, Hinsley Hall.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

4. Maintenance of Property

Churches and associated Parish buildings play a central role in facilitating parish life. A church is often a significant landmark and a social hub in its wider community. Over 90 per cent of the buildings owned by Parishes are more than 50 years old. Collectively, Parishes spent £1,847k (2024: £1,994k) on refurbishments, maintenance and repairs to churches, presbyteries and parish halls during the year. This level of investment equates to 25 per cent (2024: 24 per cent) of Total Parish Operating Expenditure and reflects the importance that the Diocese attaches to maintaining its Sacred Places.

During the year, capital expenditure of £412k (2024: £2,243k) was invested in churches.

The Property Department works with the Historic Churches Committee (HCC) (a statutory body established under the Ecclesiastical Exemption (Listed Buildings and Conservation Areas (England) Order 2010) to oversee and approve all building works on Listed Places of Worship. The Property Department also works with the Diocesan Art, Architecture and Heritage (AAH) Committee which considers all applications to undertake building works on churches in the Diocese. Members of the Committees are drawn from the Clergy, Lay Professionals, Local Authority Planning Departments and the Amenity Societies. The Property Administrator acts as Secretary to these Committees.

Parish volunteers, supported by Curia Property, Finance and Communications Departments have been instrumental in organising local fundraising initiatives and in securing grant funding for Parish property projects.

The Curia makes appropriate applications, on behalf of Parishes, to the Listed Places of Worship (LPW) Grant Scheme. This Scheme provides grants for qualifying expenditure and capital improvements to our listed cathedral, churches and chapels. In the year ended 31 March 2025 grants received totalled £61k (2024: £182k). The Trustee is very grateful to the National Lottery Awards for All scheme for £120k benefiting community projects in six parishes and to the Benefact Trust for grants totalling £69k for projects in thirteen parishes. The Vinehill Trust made a grant of £59k to fund the replacement of an essential component in the Organ at Leeds Cathedral. The Sir George Martin Trust and Laing Family Trusts made grants of £3k each towards parish projects.

In its collaboration with Parishes and Schools, the Curia is supported by a dedicated team of external property professionals, including experienced Architects and Chartered Surveyors. This support ensures that refurbishments, maintenance, and repairs take full account of all statutory building and Health and Safety regulations, the historic architecture of the buildings and the accessibility needs of parishioners and pupils with disabilities.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

4. Maintenance of Property (continued)

SUSTAINABILITY AND NET CARBON ZERO

The Diocese's Environmental Policy Statement based on Pope Francis encyclical letter, "Laudato Si': On Care for Our Common Home" details the Diocese's commitment to reducing its carbon footprint and the environmental impact in its use of water, waste, travel and other activities and materials with associated emissions.

The Diocese's Laudato Si' Sustainability Management Group, (Chaired by Rev Mgr A Summersgill) consists of members of the Diocese's Justice and Peace Commission and Curia Officers, and meets regularly to develop a sustainability programme for the Diocese in the medium term.

A key component to achieving net zero carbon use is the procurement of the Diocese's energy. In the year ended 31 March 2025, the Diocese spent £1,436k (2024: £1,585k) on its gas and electricity supplies which it purchases from Inter-Diocesan Fuel Management Limited (IFM). As disclosed in note 14(b) to the Financial Statements, the Diocese with other Catholic Dioceses in Great Britain owns 4.3% of the Ordinary shares in the company. IFM's electricity contracts have been from renewable (hydro or wind) sources for over 25 years. The current electricity contract runs to July 2025. IFM currently has an 88% renewable source agreement with Engie. IFM are developing a Digital Data Management system which will enable the Diocese to report on its energy supply carbon footprint.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW

The table below summarises the financial activities of the Parishes and Curia during the year ended 31 March 2025.

		2025	2024
		£'000	£'000
Parishes			
Income		**8,123**	8,616
Expenditure		**(8,015)**	(8,069)
		108	547
Diocesan Assessment		**(997)**	(1,029)
Transfers		**(66)**	(61)
Deficit		**(955)**	(543)
Net Gains/(Losses) on the Sale and Revaluation of Assets		**4**	(2,004)
Decrease in Reserves		**(951)**	(2,547)
Curia			
Income		**4,597**	4,456
Diocesan Assessment		**997**	1,029
Transfers		**66**	61
Expenditure		**(6,974)**	(6,371)
Deficit		**(1,314)**	(825)
Net Gains on the Sale and of Assets	Revaluation	**251**	876
(Decrease)/ Increase in Reserves		**(1,063)**	51
Total Group Decrease in Reserves		**(2,014)**	(2,496)

Details of the income and expenditure are disclosed in the Consolidated Statements of Financial Activities on pages 31 and 32.

The Diocese continues to comply with current statutory requirements and its governing documents.

The total income for the Diocese in the year was £12,720k (2024: £13,072k) a decrease of 3 per cent (2024: increase of 8 per cent) compared with the prior year. The largest individual component of income is from Offertories amounting to £4,235k (2024: £4,293k), a decrease of 1 per cent (2024: an increase of 6 per cent) compared with the prior year. Income from Donations, Gifts and Legacies, which is less predictable, was £1,028k in the year compared to £1,007k in the prior year.

The total expenditure in the year was £14,989k (2024: £14,440k) an increase of £549k compared with the prior year. The Total Cost of Raising Funds is analysed in Note 5 to the Financial Statements and Charitable Expenditure is analysed in Note 6 to the Financial

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Statements. Expenditure continues to be tightly managed and remains focused on delivering the Diocese's Charitable Objectives.

The operational deficit in the year was £2,269k (2024: deficit £1,368k) and Net Resources decreased in the year by £2,014k (2024: a decrease of £2,496k).

As disclosed in Note 1 to the Financial Statements (Accounting Policies 1.12), occupied school properties are valued at £Nil (2024: £Nil) as the Directors consider these properties to be inalienable.

At 31 March 2025, the Diocese reported a net cash position of £1,569k (2024: £1,610k). The Consolidated Cash Flow Statement on page 34 reports a net decrease in cash and cash equivalents of £41k (2024: decrease of £1,348k), a net cash outflow from Operating Activities of £2,778k (2024: outflow £1,684k) and net cash inflow from Investing Activities £2,737k (2024: inflow £336k). As disclosed in Note 16 to the Financial Statements £1,800k (2024: £2,765k) of cash balances are held in respect of the School Building Programme.

Investment Policy and Performance

The Trust Deed authorises the Trustee to make and hold investments using the general funds of the Diocese. The Diocese's funds are managed in one general fund (Main Fund) and four specific funds (Priests' Retirement Fund, Batley Carr Cockrem Fund, Episcopal Mensa Fund and Music Fund). The Diocese operates an ethical investment policy and has agreed an ethical investment strategy with its Investment Managers. The Investment Managers oversee the funds and their portfolio of investments on a discretionary basis within these guidelines. The Investment Managers provide quarterly reports and meet with the FSC annually to review fund performance and to consider the investment outlook.

The market value of investments reported in the Financial Statements at 31 March 2025 was £10,150k (2024: £13,454k). The movements are analysed in Note 14 to the Financial Statements. The main components comprise investment income generated of £255k (2024: £328k), cash withdrawn of £3,600k (2024: £1,700) and profits arising on the sale of investments of £977k (2024: £496k). The unrealised loss on revaluation of £896k (2024: gain £380k) reflects market volatilities due to the wars in Ukraine and the Middle East and economic uncertainty due to major changes in US trade policy.

The Diocese holds a portfolio of investment properties that are no longer required for meeting its principal Charitable Objectives and are either held to generate a long-term rental income or sale.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Reserves Policy

The Total Funds of the Diocese at 31 March 2025 were £52,529k (2024: £54,543k) of which £35,953k (2024: £36,904k) relates to Parishes and £16,576k (2024: £17,639k) relates to the Curia and the subsidiary undertaking.

The Reserves Policy of the Diocese is to hold a value equivalent to at least three months of Total Operating Expenditure which is equivalent to £3,747k for the year ended 31 March 2025 (2024: £3,610k) as Free Reserves. Free Reserves are defined as Unrestricted Funds (including Parish Designated Funds) less Tangible Fixed Assets. Funds invested in Tangible Fixed Assets are excluded from Free Reserves as these funds cannot be released without undermining the Diocese's ability to fulfil its principal Charitable Objectives. At 31 March 2025, Free Reserves were £9,376k (2024: £12,303k) and represented seven months (2024: ten months) of Total Operating Expenditure. Free Reserves include Investment Properties of £9,665k (2024: £9,515k). The Directors keep under review the Diocese's Free Reserves to ensure that the Diocese can fulfil its immediate financial obligations and commitments and plan for future investment requirements. This includes the training of Seminarians, Priests and Permanent Deacons, the welfare needs of retired Priests and the maintenance of the Diocese's Places of Worship.

Total Funds include £1,032k (2024: £1,030k) in Permanent Endowment Funds and £9,142k (2024: £8,641k) in Restricted Funds. The allocation of Permanent Endowment Funds and Restricted Funds is determined by the wishes of the donors and are disclosed respectively in Notes 19(b) and 19(c) to the Financial Statements. Unrestricted Funds of £42,355k (2024: £44,872k) comprise Designated Funds in Parishes of £34,947k (2024: £35,968k) and General Funds in the Curia of £7,408k (2024: £8,904k). Designated Funds in Parishes ensure the financial sustainability of each Parish.

Subsidiary Trading Company

The Diocese holds an investment in a wholly owned trading subsidiary, Hinsley Properties Limited. The Directors of this subsidiary company are appointed from the Directors of the Trustee. Hinsley Properties Limited was formed to manage the Diocesan Pastoral Centre at Hinsley Hall and an investment property, Cathedral Chambers. The Diocesan Pastoral Centre is also used by the wider national Catholic community. As disclosed in Note 14(b) to the Financial Statements, during the year the company generated a turnover of £1,059k (2024: £974k) and reported an operating loss of £215k (2024: loss £293k). The retained loss for the year of £215k (2024: £293k) has been taken to the consolidated unrestricted reserves.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Diocesan Strategy

The Trustee commenced a comprehensive strategy programme in April 2024 which consists of three main phases:

- Purpose
- Strategy
- Execution

The Purpose considers the Charity's Mission (its four principal objectives and their public benefit), Values (how the Charity engages with its beneficiaries and society as a whole, and Vision (how the Charity aspires to achieve its Mission in the medium and long term).

The Strategy (how the Purpose with be achieved by identifying key drivers and enablers) and Execution (what the Charity needs to do, measuring its success and its effective communication) phases continue to be developed. The resulting Strategy document will be presented to the Trustee at its September 2025 Board meeting.

Financial Strategy

The Charity's Financial Strategy keeps under constant review other income streams to support the generosity of Parishioners through their Offertory giving and their Parish fundraising initiatives. Grant fundraising supports Parish community, restoration and capital projects and the work of Curia departments in delivering the Charity's Mission. The Trustee keeps under constant review the potential rental income from its investment properties and where this is uneconomic considers appropriate investment property disposals. Investment Funds are managed for income and capital growth in line with the Charity's ethical investment policy.

The Trustee's eighteen-month cash flow forecast includes stress testing the cash income of the Charity.

The Directors are satisfied that the Charity has sufficient flexibility within its financial assets and its existing bank facilities to enable it to deliver its Charitable Objectives.

Approved by the Trustee on 24 June 2025 and signed on its behalf by:

Rt Rev M Stock
Bishop of Leeds
Director

TRUSTEE'S RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors of the Trustee are responsible for preparing the Trustee's Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and the Group, and of its incoming resources and application of resources of the Charity and the Group for that period.

In preparing these Financial Statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis, unless it is inappropriate to presume that the Charitable Group will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the Financial Statements comply with the Charities Act 2011 and applicable accounting regulations. It is also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST

Opinion

We have audited the financial statements of the Leeds Diocesan Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and 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).

In our opinion the Financial Statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2025 and of the group's and the parent charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Conclusions relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the 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 Trustee 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 annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters 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 Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Responsibilities of the Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 25, the Trustee is 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 Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the group and the 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 Trustee either intends to liquidate the group or the parent charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustee, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with the Trustee and updating our understanding of the sector in which the group and parent charity operate.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Auditor's responsibilities for the Audit of the Financial Statements (continued)

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Use of our report

This report is made solely to the parent charity's Trustee, 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 parent charity Trustee 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 parent charity and the parent charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Saffery LLP
Chartered Accountants and Statutory Auditors
10 Wellington Place
Leeds
LS1 4AP

26 June 2025

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 2025

	Note	Parishes			Curia and Subsidiary				Group
		Designated Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000	Total Funds £'000
Income and Endowments from:									
Donations, Legacies and Grants	2	5,889	1,054	6,943	326	1,509	2	1,837	8,780
Charitable Activities	3	99	-	99	944	174	-	1,118	1,217
Trading Activities		1,072	-	1,072	1,085	-	-	1,085	2,157
Investment Income	4	-	9	9	407	117	33	557	566
Total Operating Income		**7,060**	**1,063**	**8,123**	**2,762**	**1,800**	**35**	**4,597**	**12,720**
Expenditure on:									
Total Cost of Raising Funds	5	-	-	-	1,546	-	-	1,546	1,546
Charitable Expenditure	6	7,137	878	8,015	3,427	1,968	33	5,428	13,443
Total Operating Expenditure		**7,137**	**878**	**8,015**	**4,973**	**1,968**	**33**	**6,974**	**14,989**
		(77)	**185**	**108**	**(2,211)**	**(168)**	**2**	**(2,377)**	**(2,269)**
Gross Transfer between Funds		(953)	(110)	(1,063)	997	66	-	1,063	-
Net Operating (Expenditure)/Income		**(1,030)**	**75**	**(955)**	**(1,214)**	**(102)**	**2**	**(1,314)**	**(2,269)**
Net (Losses)/Gains on Investment Assets		-	(5)	(5)	(447)	533	-	86	81
Net Gains on the Sale of Fixed Assets		9	-	9	15	-	-	15	24
Net (Expenditure)/Income		**(1,021)**	**70**	**(951)**	**(1,646)**	**431**	**2**	**(1,213)**	**(2,164)**
Net Gain on Investment Property Valuation		-	-	-	150	-	-	150	150
Net Movement in Funds	11	**(1,021)**	**70**	**(951)**	**(1,496)**	**431**	**2**	**(1,063)**	**(2,014)**
Reconciliation of Funds:									
Total Funds brought forward		35,968	936	36,904	8,904	7,705	1,030	17,639	54,543
Total Funds carried forward		**34,947**	**1,006**	**35,953**	**7,408**	**8,136**	**1,032**	**16,576**	**52,529**

All activities are from continuing operations. The Notes from page 35 to 60 form part of these Financial Statements. There were no recognised gains or losses for the year ended 31 March 2025 other than those included in the Consolidated Statement of Financial Activities. The results of Hinsley Properties Limited are included in Curia Unrestricted Funds.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 2024

		Parishes			Curia and Subsidiary				Group
	Note	Designated Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000	Total Funds £'000
Income and Endowments from:									
Donations, Legacies and Grants	2	6,066	1,550	7,616	236	1,502	5	1,743	9,359
Charitable Activities	3	98	-	98	1,058	-	-	1,058	1,156
Trading Activities		893	-	893	1,021	-	-	1,021	1,914
Investment Income	4	-	9	9	474	125	35	634	643
Total Operating Income		**7,057**	**1,559**	**8,616**	**2,789**	**1,627**	**40**	**4,456**	**13,072**
Expenditure on:									
Total Cost of Raising Funds	5	-	-	-	1,304	-	-	1,304	1,304
Charitable Expenditure	6	7,376	693	8,069	3,523	1,509	35	5,067	13,136
Total Operating Expenditure		**7,376**	**693**	**8,069**	**4,827**	**1,509**	**35**	**6,371**	**14,440**
		(319)	**866**	**547**	**(2,038)**	**118**	**5**	**(1,915)**	**(1,368)**
Gross Transfer between Funds		105	(1,195)	(1,090)	1,029	61	-	1,090	-
Net Operating (Expenditure)/Income		**(214)**	**(329)**	**(543)**	**(1,009)**	**179**	**5**	**(825)**	**(1,368)**
Net Gains on Investment Assets		-	29	29	536	311	-	847	876
Net Gains on the Sale of Investment Properties		35	-	35	29	-	-	29	64
Net (Expenditure)/Income		**(179)**	**(300)**	**(479)**	**(444)**	**490**	**5**	**51**	**(428)**
Net Loss on Investment Property Valuation		(2,068)	-	(2,068)	-	-	-	-	(2,068)
Net Movement in Funds	11	**(2,247)**	**(300)**	**(2,547)**	**(444)**	**490**	**5**	**51**	**(2,496)**
Reconciliation of Funds:									
Total Funds brought forward		38,215	1,236	39,451	9,348	7,215	1,025	17,588	57,039
Total Funds carried forward		**35,968**	**936**	**36,904**	**8,904**	**7,705**	**1,030**	**17,639**	**54,543**

All activities are from continuing operations. The Notes from page 35 to 60 form part of these Financial Statements. There were no recognised gains or losses for the year ended 31 March 2024 other than those included in the Consolidated Statement of Financial Activities. The results of Hinsley Properties Limited are included in Curia Unrestricted Funds.

CONSOLIDATED BALANCE SHEET AND CHARITY BALANCE SHEET

		Group		Charity	
		2025	2024	**2025**	2024
	Note	**£'000**	£'000	**£'000**	£'000
Fixed Assets					
Tangible Assets	12	**32,979**	32,569	**31,821**	31,384
Investment Properties	13	**9,665**	9,515	**8,315**	8,315
Investments	14	**10,150**	13,454	**12,702**	15,021
Total Fixed Assets		**52,794**	55,538	**52,838**	54,720
Current Assets					
Inventories		**12**	10	**-**	-
Debtors	15	**1,733**	1,294	**1,657**	2,015
Cash at Bank and in Hand		**1,569**	1,610	**1,506**	1,574
Total Current Assets		**3,314**	2,914	**3,163**	3,589
Current Liabilities					
Creditors and Accrued Expenses	16	**(3,579)**	(3,909)	**(3,472)**	(3,766)
Creditors: Amounts falling due within one year		**(3,579)**	(3,909)	**(3,472)**	(3,766)
Net Current Liabilities		**(265)**	(995)	**(309)**	(177)
Total Assets less Current Liabilities		**52,529**	54,543	**52,529**	54,543
Total Net Assets		**52,529**	54,543	**52,529**	54,543
The Funds of the Charity:					
Unrestricted Funds					
- Designated Funds	19	**34,947**	35,968	**34,947**	35,968
- General Funds	19	**7,408**	8,904	**7,408**	8,904
Restricted Funds	19	**9,142**	8,641	**9,142**	8,641
Permanent Endowments	19	**1,032**	1,030	**1,032**	1,030
Total Charity Funds		**52,529**	54,543	**52,529**	54,543

The Notes from page 35 to 60 form part of these Financial Statements.

These Financial Statements were approved and authorised by the Directors on 24 June 2025 and signed on their behalf by:

+ Marcus Stock

Rt Rev M Stock
Bishop of Leeds
Director

CONSOLIDATED CASH FLOW STATEMENT

	2025	2024
	£'000	£'000
Cash Flows from Operating Activities		
Net Movement in Funds	**(2,014)**	(2,496)
Adjusted for:		
Depreciation Charges	**761**	715
(Revaluation)/Impairment of Investment Properties	**(150)**	2,068
Gains on Disposal of Investment Properties	**(9)**	(64)
Gain on Disposal of Fixed Assets	**(15)**	-
Net Gains on Investments	**(81)**	(876)
Investment Income	**(566)**	(643)
(Increase)/Decrease in Debtors	**(439)**	310
Decrease in Creditors	**(330)**	(770)
Increase in Inventories	**(2)**	(2)
Other non cash Expenditure	**67**	74
Net Cash used in Operating Activities	**(2,778)**	(1,684)
Cash Flows from Investing Activities		
Proceeds from the Disposal of Fixed Asset Investments	**3,600**	1,700
Payments to Acquire Fixed Asset Investments	**(27)**	-
Investment Properties Income	**311**	315
Proceeds from the Sale of Tangible Fixed Assets	**15**	-
Proceeds from the Sale of Investment Properties	**9**	955
Payments to Acquire Tangible Fixed Assets	**(1,171)**	(2,634)
Net Cash provided by Investing Activities	**2,737**	336
Net Decrease in Cash and Cash Equivalents	**(41)**	(1,348)
Cash and Cash Equivalents at the beginning of year	**1,610**	2,958
Cash and Cash Equivalents at the end of year	**1,569**	1,610

ANALYSIS OF NET CASH

	2025	**Movement**	2024	Movement	2023
	£'000	**£'000**	£'000	£'000	£'000
Cash at Bank and in Hand	**1,569**	**(41)**	1,610	(1,348)	2,958

The Notes from pages 35 to 60 form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

ACCOUNTING POLICIES

1.1 Basis of Accounting

These Financial Statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain fixed assets and include the results of the Charity and its subsidiary's operations which are described in the Trustee's Report.

The Financial Statements are prepared in Sterling (GBP) which is the functional currency of the entity. Monetary amounts in these Financial Statements are rounded to the nearest thousand pounds (£'000). The Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice. The Charity is a public benefit entity for the purposes of FRS 102.

1.2 Going Concern

The Directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charitable Group to continue as a going concern and to meet its net current liabilities. The Directors have made this assessment for a period of at least twelve months from the date of approval of the Financial Statements. In particular the Directors have considered the Group's forecasts and projections and have taken account of pressures on offertory, donation and investment income. After making enquiries the Directors have concluded that there is a reasonable expectation that the Group has adequate resources when taking into account the headroom provided by Investments held, to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its Financial Statements.

1.3 Basis of Consolidation

The Statement of Financial Activities, Balance Sheet and Cash Flow consolidate the Financial Statements of the Charity, comprising the Parishes and Curia, together with a subsidiary undertaking, Hinsley Properties Limited.

1.4 Income

Income, including grants, is included in the Statement of Financial Activities on the basis of the amounts receivable for the year. Income from trading activities is included in the period that the Charity is entitled to the receipt.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.4 Income (continued)

In Parishes, the majority of income is received from voluntary donations and legacies. Legacies are recognised following probate and once there is sufficient evidence that the receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, the details are disclosed as a contingent asset, if material, until the criteria for income recognition are met.

Curial income includes income from services carried out at the Diocesan Pastoral Centre, Hinsley Hall, income from Investment Properties and other Investments.

Gifts of fixed assets are included at valuation and the equivalent value is recorded as donations. If a gifted asset is under construction, then its value is recorded on completion.

1.5 Expenditure

Expenditure is included in the Statement of Financial Activities on the basis of the amounts payable for goods and services provided in the year.

Charitable expenditure consists of all expenditure directly relating to the objectives of the Diocese. Certain central costs, which cannot be directly apportioned, are allocated in proportion to the direct costs of the aims of the Charity.

The Diocese does not incur direct costs in its voluntary fundraising activities. The Diocese receives substantial voluntary help in its work.

Investment management fees, interest costs, the cost of sales and administrative costs of the subsidiary company are included in the cost of raising funds.

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, or it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure includes VAT where it cannot be fully recovered and is reported as part of the expenditure to which it relates.

Governance costs are those incurred in connection with the audit of the Charity and its compliance with constitutional and statutory requirements, including legal fees.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.6 Commitments

Commitments made by the Trustee that are legally binding have been accrued. Those that are not legally binding have not been charged in the Financial Statements but have been disclosed in the Notes to the Financial Statements.

1.7 Grants Payable

Discretionary grants are paid as a contribution to the running costs of organisations whose objectives are consistent with those of the Charity. Grants are paid on an ad–hoc basis and payment in one financial year does not imply continued support in future financial years. Liabilities relating to grants payable are recognised once the Charity is irrevocably committed to the provision of the grant.

1.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted mid-market price. Realised and unrealised gains and losses on Investments are reported in the Statement of Financial Activities. Investment income plus any associated tax recoverable is credited to income on an accruals basis.

Investments in subsidiaries are accounted for at cost less impairment in the individual Financial Statements.

1.9 Investment Properties

Investment property, which is property held to earn rentals and capital appreciation, is measured using the fair value model as at the Balance Sheet date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.10 Taxation

The Trustee considers that the Charity is exempt from taxation and therefore no provision has been made for it. There is no taxation charge arising for the year within Hinsley Properties Limited.

1.11 Pension Scheme

The Charity makes defined contributions to a Group Personal Pension Scheme for certain employees. Contributions payable for the year are charged in the Statement of Financial Activities. Contributions are also paid for eligible employees, to the Teachers' Pension Scheme (England and Wales), and further information on this Scheme is disclosed in Note 9 to the Financial Statements. Contributions payable are charged as charitable expenditure in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.12 Tangible Assets

Parish Property

The value of Parish properties are capitalised in the Financial Statements as follows:

- Properties acquired on or before 31 March 1997 were capitalised at 10 per cent of their insurance value at that date.
- Properties acquired since 31 March 1997 are capitalised at cost.

All Parish buildings are depreciated on a straight-line basis of two per cent per annum.

Curial Freehold Buildings

A review of building valuations is carried out annually, and where required, an appropriate impairment charge is made in the Statement of Financial Activities. Curial freehold buildings are maintained to a high standard and depreciation is not provided for as, in the Trustee's opinion, the residual value is equal to the carrying value in the Financial Statements.

Freehold Property Improvements

Improvements to freehold properties are capitalised at cost and depreciated on a straight-line basis of two per cent per annum.

Impairment reviews are undertaken on an annual basis.

Fixtures, Fittings and Equipment

Fixtures, fittings and equipment are stated at cost less depreciation. Depreciation is calculated by the straight-line method to write off the cost or value, less anticipated residual value, over the expected useful lives of the assets. Assets have an expected useful life of between three years and ten years.

Impairment reviews are undertaken on an annual basis.

School Property

Certain school properties are owned by the Diocese and are occupied and run by independent charities in the form of Voluntary Aided (maintained) schools and CMATs. There are significant legal restrictions on the disposal of these properties under education legislation. The Trustee considers the ownership of these assets to be in the nature of custodianship, and they are, therefore, not capitalised in the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.13 Properties Held for Resale

Parish and Curia properties no longer used by the Diocese in pursuing its charitable objectives at the Balance Sheet date, and where a sale is expected to complete within twelve months of the Balance Sheet date, are reported as Properties Held for Sale within Current Assets on the face of the Balance Sheet and are included at their estimated realisable value.

1.14 Schools Building Programme

The Diocese acts as agent on behalf of School Governors. Grants received, and contributions through the Voluntary Contributions Scheme (VCS), are netted off against total costs so that only the residual cost is included in the Financial Statements. As an agent, the Diocese is bound by agreement with each individual school and, therefore, has no discretion over the use of these funds. These agency funds are carried forward within cash and creditors in the Balance Sheet.

1.15 Inventories

Inventories consist of purchased goods for resale and are valued at the lower of cost and net realisable value.

1.16 Fund Accounting

General Funds are Unrestricted Funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Parishes in the Diocese are established and operate under Canon Law, which gives each Parish a distinct status within the Church. Unrestricted Parish Funds are reported as Designated Funds in the Financial Statements, to reflect the relative autonomy given to the Parish Priest under Canon Law.

Restricted Funds are funds that are used in accordance with specific instructions made by donors, or which have been raised by the Diocese for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each Restricted Fund is set out in the Note 19(b) to the Financial Statements.

The capital of Permanent Endowment Funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the Diocese, according to the terms of the original gift.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.17 Financial Instruments

Basic financial instruments are measured at amortised cost. The Group has no other financial instruments or basic financial instruments measured at fair value.

1.18 Critical Accounting Estimates

In preparing financial statements, it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in those financial statements. The following judgements and estimates are considered by the Trustee to have the most significant effect on amounts recognised in the Financial Statements.

Useful Economic Life: the annual depreciation charge for buildings, fixtures, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and are amended where necessary to reflect current circumstances.

Investment Properties are valued on the basis of market value every five years. In the intervening years, a review of Investment Properties' fair value is carried out annually and an appropriate revaluation credit or impairment charge is made in the Statement of Financial Activities.

The valuation of debtors at the Balance Sheet date includes estimates for accrued income with respect to Legacies, Grants, and Gift Aid Tax Recoverable.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. DONATIONS, LEGACIES AND GRANTS

2025

	Parishes			**Curia**				**Group**
	Designated Funds	**Restricted Funds**	**Total Funds**	**Unrestricted Funds**	**Restricted Funds**	**Permanent Endowment Funds**	**Total Funds**	**Total Funds**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Offertories	**4,214**	**-**	**4,214**	**21**	**-**	**-**	**21**	**4,235**
Donations and Gifts	**160**	**-**	**160**	**7**	**179**	**2**	**188**	**348**
Votives	**230**	**-**	**230**	**-**	**-**	**-**	**-**	**230**
Legacies	**428**	**-**	**428**	**244**	**8**	**-**	**252**	**680**
Gift Aid Tax Refunds	**756**	**-**	**756**	**54**	**-**	**-**	**54**	**810**
Parish Projects	**-**	**169**	**169**	**-**	**-**	**-**	**-**	**169**
Parish Second Collections	**-**	**225**	**225**	**-**	**-**	**-**	**-**	**225**
Diocesan Second Collections	**-**	**103**	**103**	**-**	**-**	**-**	**-**	**103**
National Second Collections	**-**	**139**	**139**	**-**	**-**	**-**	**-**	**139**
Grants	**-**	**418**	**418**	**-**	**1,322**	**-**	**1,322**	**1,740**
Other	**101**	**-**	**101**	**-**	**-**	**-**	**-**	**101**
Total	**5,889**	**1,054**	**6,943**	**326**	**1,509**	**2**	**1,837**	**8,780**

2024

	Parishes			Curia				Group
	Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Offertories	4,277	-	4,277	16	-	-	16	4,293
Donations and Gifts	171	-	171	160	75	1	236	407
Votives	226	-	226	-	-	-	-	226
Legacies	583	-	583	17	-	-	17	600
Gift Aid Tax Refunds	736	-	736	43	4	4	51	787
Parish Projects	-	399	399	-	-	-	-	399
Parish Second Collections	-	172	172	-	-	-	-	172
Diocesan Second Collections	-	98	98	-	-	-	-	98
National Second Collections	-	159	159	-	-	-	-	159
Grants	-	722	722	-	1,423	-	1,423	2,145
Other	73	-	73	-	-	-	-	73
Total	6,066	1,550	7,616	236	1,502	5	1,743	9,359

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. INCOME FROM CHARITABLE ACTIVITIES

Income from charitable activities consists of:

	2025	2024
	£'000	£'000
School Contribution Scheme	**355**	314
Music Contribution Scheme	**201**	206
Youth Pilgrimages	**185**	141
Conference Fees	**41**	26
Cemetery Fees	**278**	291
Other	**157**	178
Total	**1,217**	1,156

4. INVESTMENT INCOME

	2025			
	Unrestricted Funds	**Restricted Funds**	**Permanent Endowment Funds**	**Total Funds**
	£'000	**£'000**	**£'000**	**£'000**
Income arising from:				
Investment Properties	**309**	**2**	**-**	**311**
Listed Investments	**98**	**124**	**33**	**255**
Total	**407**	**126**	**33**	**566**

	2024			
	Unrestricted Fund	Restricted Fund	Permanent Endowment Fund	Total Funds
	£'000	£'000	£'000	£'000
Income arising from:				
Investment Properties	309	6	-	315
Listed Investments	165	128	35	328
Total	474	134	35	643

5. TOTAL COST OF RAISING FUNDS

The total cost of raising funds consists of:

	2025	2024
	£'000	£'000
Interest Payable	**54**	10
Investment Management Fees	**68**	77
Hinsley Properties Limited Expenditure	**1,424**	1,217
Total	**1,546**	1,304

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. CHARITABLE EXPENDITURE

		2025 Aims of the Charity				
		Advancement of Catholic Religion	**Promotion of Catholic Teaching**	**Care of Priests**	**Maintenance of Properties**	**Total**
		£'000	**£'000**	**£'000**	**£'000**	**£'000**
Parishes	Grants Payable	**46**	**-**	**-**	**-**	**46**
	Other Direct Costs	**1,396**	**41**	**1,628**	**3,810**	**6,875**
	Support Costs	**228**	**6**	**258**	**602**	**1,094**
	Total	**1,670**	**47**	**1,886**	**4,412**	**8,015**
Curia	Grants Payable	**125**	**428**	**371**	**-**	**924**
	Other Direct Costs	**385**	**1,709**	**425**	**833**	**3,352**
	Support Costs	**140**	**574**	**214**	**224**	**1,152**
	Total	**650**	**2,711**	**1,010**	**1,057**	**5,428**
Total	Grants Payable	**171**	**428**	**371**	**-**	**970**
	Other Direct Costs	**1,781**	**1,750**	**2,053**	**4,643**	**10,227**
	Support Costs	**368**	**580**	**472**	**826**	**2,246**
	Total	**2,320**	**2,758**	**2,896**	**5,469**	**13,443**

		2024 Aims of the Charity				
		Advancement of Catholic Religion	Promotion of Catholic Teaching	Care of Priests	Maintenance of Properties	Total
		£'000	£'000	£'000	£'000	£'000
Parishes	Grants Payable	75	-	-	-	75
	Other Direct Costs	1,194	55	1,767	3,956	6,972
	Support Costs	184	8	256	574	1,022
	Total	1,453	63	2,023	4,530	8,069
Curia	Grants Payable	124	343	348	-	815
	Other Direct Costs	397	1,703	453	615	3,168
	Support Costs	142	557	218	167	1,084
	Total	663	2,603	1,019	782	5,067
Total	Grants Payable	199	343	348	-	890
	Other Direct Costs	1,591	1,758	2,220	4,571	10,140
	Support Costs	326	565	474	741	2,106
	Total	2,116	2,666	3,042	5,312	13,136

Support Costs have been apportioned across the four aims of the Charity by pro-rating those costs to the grants payable and other direct costs of the individual aims. Included in Support Costs are Governance Costs of £24k (2024: £24k).

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. ANALYSIS OF GRANTS PAYABLE

	2025 Grants Payable to			2024
	Institutions	**Individuals**	**Total**	Total
	£'000	**£'000**	**£'000**	£'000
National Schools Singing Programme Participants	**396**	**-**	**396**	310
Catholic Trust for England and Wales	**80**	**-**	**80**	97
Catholic Education Service	**33**	**-**	**33**	33
Priests' Retirement Grants	**-**	**357**	**357**	332
Seminarian Grants	**-**	**13**	**13**	17
Peru Mission	**45**	**-**	**45**	26
Local Organisations	**46**	**-**	**46**	75
	600	**370**	**970**	890

Grants paid to institutions are paid as a contribution to the running costs of charities with objectives similar to those of the Leeds Diocesan Trust.

Participants of the National Schools Singing Programme consist of Catholic Dioceses throughout the United Kingdom, a Catholic College and some Anglican Cathedrals.

There were 38 (2024: 39) grants given for the benefit of retired Priests amounting to £357k (2024: £332k).

8. CLERGY COSTS

	Clergy Allowances		
	Parishes	**Curia**	**Total**
	£'000	**£'000**	**£'000**
2025	**765**	**160**	**925**
2024	877	179	1,056

These allowances relate to Clergy in active ministry.

9. EMPLOYMENT COSTS AND NUMBERS

Staff costs comprise the following:

	2025			2024
	Parishes	**Curia and Subsidiary**	**Total**	Total
	£'000	**£'000**	**£'000**	£'000
Salaries and Wages	**697**	**2,153**	**2,850**	2,804
Employers' National Insurance	**27**	**209**	**236**	226
Pension Costs	**12**	**196**	**208**	181
Gross Employment Costs	**736**	**2,558**	**3,294**	3,211

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. EMPLOYMENT COSTS AND NUMBERS (continued)

Included in Curia Gross Employment Costs are £458k (2024: £548k) in respect of Gross Employment Costs for Hinsley Properties Limited.

During the year payments of £3k (2024: £3k) were paid to two employees (2024: two employees) in relation to redundancy payments.

The number of employees who received a salary in excess of £60,000 per annum was as follows:

	2025	2024
£60,001 to £70,000	**3**	3
£70,001 to £80,000	**3**	2
£80,001 to £90,000	**-**	-
£90,001 to £100,000	**-**	-
£100,001 to £110,000	**1**	1
	7	6

Volunteers

Central to the fulfilment of the Charity's Objectives is the role played by volunteers in ministries in the Parishes. There are more than 1,200 volunteers providing over 15,000 hours of work in governance, administration and property management. It is not practical to place a monetary cost on this work, an indicator based on the Living Wage Foundation hourly rate of £12.60 (2024: £12.00) per hour would suggest a value of at least £189k (2024: £156k) per annum.

Teachers' Pension Scheme (TPS)

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

TPS Valuation

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. EMPLOYMENT COSTS AND NUMBERS (continued)

Teachers' Pension Scheme (TPS) (continued)

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HM Treasury, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- The result of this valuation was implemented on 1 April 2024.The next valuation result is due to be implemented from 1 April 2027.

Average Weekly Employment Numbers

The average weekly number of full-time and part-time employees is analysed as follows:

	Total Diocesan Employees		
	Parishes	Curia and Subsidiary	Total
2025	**95**	**61**	**156**
2024	97	68	165

Included in Curia employees are 26 (2023: 26) staff employed by Hinsley Properties Limited.

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. DIRECTORS AND KEY MANAGEMENT PERSONNEL

The Directors do not receive any payments in respect of their Office. Directors who are members of the Clergy receive allowances and expenses for their work in active ministry which are paid by either their Parish for a Parochial role or by the Curia if they have a non-Parochial role. No payments were made to Lay Directors in either the current year or the prior year. No reimbursement of expenses was paid to the Directors of the Trustee in either the current year or the prior year.

The Charity considers that its key management personnel comprise the Directors and Senior Curia Officers. The Directors did not receive any employment benefits in either the current year or the prior year. Senior Curia Officers received total employment benefits in the year of £380k (2024: £354k), including employers' National Insurance Contributions of £35k (2024: £33k) and pension contributions of £13k (2024: £12k).

11. NET MOVEMENT IN FUNDS IN THE YEAR

Movement in net funds in the year is stated after charging:

	2025	2024
	£'000	£'000
Auditor's Remuneration		
- audit services	**23**	23
- other services	**1**	1
Depreciation of Owned Assets	**761**	715
Operating Lease Rentals	**40**	40

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. TANGIBLE ASSETS

Group

	Total Charity			Subsidiary			Total Group		
	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Leasehold Buildings Improvements £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost or valuation									
At 1 April 2024	41,399	2,428	43,827	1,894	459	2,353	43,293	2,887	46,180
Additions	1,115	-	1,115	-	56	56	1,115	56	1,171
Disposals	-	-	-	-	(9)	(9)	-	(9)	(9)
At 31 March 2025	**42,514**	**2,428**	**44,942**	**1,894**	**506**	**2,400**	**44,408**	**2,934**	**47,342**
Depreciation and impairments									
At 1 April 2024	11,404	1,039	12,443	935	233	1,168	12,339	1,272	13,611
Charge for the year	626	52	678	38	45	83	664	97	761
Disposals	-	-	-	-	(9)	(9)	-	(9)	(9)
At 31 March 2025	**12,030**	**1,091**	**13,121**	**973**	**269**	**1,242**	**13,003**	**1,360**	**14,363**
Net Book Value 31 March 2025	**30,484**	**1,337**	**31,821**	**921**	**237**	**1,158**	**31,405**	**1,574**	**32,979**
Net Book Value 1 April 2024	29,995	1,389	31,384	959	226	1,185	30,954	1,615	32,569

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. TANGIBLE ASSETS (continued)

Charity

`

	Parishes			Curia			Total Charity		
	Church Properties £'000	Church Contents £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost or valuation									
At 1 April 2024	31,368	2,383	33,751	10,031	45	10,076	41,399	2,428	43,827
Additions	412	-	412	703	-	703	1,115	-	1,115
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2025	**31,780**	**2,383**	**34,163**	**10,734**	**45**	**10,779**	**42,514**	**2,428**	**44,942**
Depreciation and impairments									
At 1 April 2024	10,686	1,011	11,697	718	28	746	11,404	1,039	12,443
Charge for the year	626	47	673	-	5	5	626	52	678
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2025	**11,312**	**1,058**	**12,370**	**718**	**33**	**751**	**12,030**	**1,091**	**13,121**
Net Book Value 31 March 2025	**20,468**	**1,325**	**21,793**	**10,016**	**12**	**10,028**	**30,484**	**1,337**	**31,821**
Net Book Value 1 April 2024	20,682	1,372	22,054	9,313	17	9,330	29,995	1,389	31,384

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. INVESTMENT PROPERTIES

	Charity			Subsidiary	Group
	Parishes	Curia	Total	Total	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2024	3,750	4,565	8,315	1,200	9,515
Disposals	-	-	-	-	-
Revaluations	-	-	-	150	150
At 31 March 2025	**3,750**	**4,565**	**8,315**	**1,350**	**9,665**
Depreciation and impairments					
At 1 April 2024 and 31 March 2025	**-**	**-**	**-**	**-**	**-**
Net Book Value 31 March 2025	**3,750**	**4,565**	**8,315**	**1,350**	**9,665**
Net Book Value 1 April 2024	3,750	4,565	8,315	1,200	9,515

Investment Properties are valued on the basis of market value every five years.

Investment Properties held to generate a rental income are valued on the basis of market value as defined in the RICS Valuation and Appraisal Manual (7th Edition). The last valuations were carried out by Sanderson Weatherall, Chartered Surveyors, Lambert Smith Hampton, Chartered Surveyors and WBW, Chartered Surveyors on 31 March 2022 for the Charity's Investment Properties and on 31 March 2025 for the Subsidiary's Investment Properties.

Investment Properties earmarked for long term sale on the open market are valued on the basis of market value taking into consideration the advice of external professional Chartered Surveyors and their estimated net realisable value.

In the intervening years, a review of the fair value is undertaken at the Balance Sheet date and the resulting revaluation or impairment recognised in the Statement of Financial Activities.

In the Trustee's opinion, the net book value disclosed in the Balance Sheet reflects its best estimate of the fair value of Investment Properties at 31 March 2025.

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENTS

a) GROUP

Listed Investments

	2025	2024
	£'000	£'000
Movement in Fixed Asset Investments:		
Market value at 1 April	**13,454**	14,024
Investment Income	**255**	328
Net Unrealised (Loss)/Gains on Revaluation	**(896)**	380
Net Realised Gains in the Year	**977**	496
Investment Managers' Costs Deducted from Investments	**(67)**	(74)
Addition to Investments	**27**	-
Withdrawn from Investments	**(3,600)**	(1,700)
Market Value at 31 March	**10,150**	13,454
Analysis of Market Value of Investment by Type:		
Equities	6,330	8,580
Bonds	1,860	1,959
Properties	244	248
Alternative Investments	1,074	1,686
Cash	642	981
Market Value at 31 March	**10,150**	13,454
Analysis of Market Value of Investments between those held within and outside the United Kingdom:		
Within the United Kingdom	5,086	6,717
Outside the United Kingdom	5,064	6,737
Market Value at 31 March	**10,150**	13,454
Analysis of Market Value by Fund:		
Unrestricted	4,318	6,985
Restricted	4,800	5,439
Permanent Endowment	1,032	1,030
Market Value at 31 March	**10,150**	13,454
Historic Cost of Investments	**8,185**	10,594

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENTS (continued)

b) CHARITY

The investments of the Charity comprise:

The investments of the Charity comprise:

	2025	2024
	£'000	£'000
Listed Investments (see Note 14(a) above)	**10,150**	13,454
Investment in Subsidiary Companies	**2,552**	1,567
	12,702	15,021

Investment in Subsidiary Companies
Hinsley Properties Limited (company registration number 2974080)

The Charity owns 100 per cent of the Ordinary share capital of the company. The investment in the company increased by £985k (2024: £nil) in the year. The purchase of £1,200k (2024: £nil) Ordinary shares was offset by a provision of £215k (2024: £293k).

The company supports the Charity to deliver its principal objectives by managing the Diocesan Pastoral Centre at Hinsley Hall, the Curial offices and an investment property, Cathedral Chambers.

A summary of the company's audited trading results for the year ended 31 March 2025 is shown below:

	2025	2024
	£'000	£'000
Turnover	**1,059**	974
Cost of Sales	**(923)**	(843)
Administrative Expenses	**(461)**	(384)
Rent paid to the Parent Undertaking	**(40)**	(40)
Operating Loss for the Financial Year	**(365)**	(293)
Revaluation of Investment Property	**150**	-
Loss for the Financial Year	**(215)**	(293)

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENTS (continued)

b. CHARITY (continued)

A summary of the company's audited Balance Sheet at 31 March 2025 is shown below:

	2025	2024
	£'000	£'000
Fixed Assets	**2,508**	2,385
Net Current Assets/(Liabilities)	**44**	(818)
Total Assets	**2,552**	1,567
Called up Share Capital	**1,500**	1,500
Profit and Loss Account	**1,052**	67
Equity Shareholders' Funds	**2,552**	1,567

Inter-Diocesan Fuel Management Limited (IFM)

The Charity owns 4.3 per cent (2024: 4.5 per cent) of the Ordinary share capital of the company.

IFM was established in 1994 under the Catholic ethos of 'brother helping brother'. IFM, in addition to achieving best pricing through bulk purchase, has sourced its electricity from renewable energy sources (principally hydro-electric and wind power) for over 20 years. Since 2017 it has been committed to sourcing 'green' gas (for example biogas and syngas) and where this has not been possible it has engaged with its suppliers in carbon neutral projects in the United Kingdom and developing countries.

Dormant Company

The trading subsidiary company, Hinsley Properties Limited, owns 100 per cent of the Ordinary share capital of Hinsley Hall Limited.

Hinsley Hall Limited was dormant in both the current and the prior year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. DEBTORS

	2025 Charity £'000	2025 Subsidiary £'000	2025 Group £'000
Trade Debtors	**202**	**59**	**261**
Gift Aid Tax Recoverable	**352**	**-**	**352**
Legacies Receivable	**384**	**-**	**384**
Grants Receivable	**63**	**-**	**63**
Other Debtors and Prepayments	**656**	**17**	**673**
	1,657	**76**	**1,733**

	2024 Charity £'000	2024 Subsidiary £'000	2024 Group £'000
Trade Debtors	181	50	231
Gift Aid Tax Recoverable	355	-	355
Legacies Receivable	428	-	428
Grants Receivable	121	-	121
Other Debtors and Prepayments	140	19	159
Amounts due from/(by) Subsidiary Company	790	(790)	-
	2,015	(721)	1,294

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 Charity £'000	2025 Subsidiary £'000	2025 Group £'000
Trade Creditors	**2,292**	**89**	**2,381**
Other Tax and Social Security	**60**	**21**	**81**
Accruals and Deferred Income	**767**	**107**	**874**
Other Creditors	**240**	**3**	**243**
Amounts due to/(from) Subsidiary Company	**113**	**(113)**	**-**
	3,472	**107**	**3,579**

	2024 Charity £'000	2024 Subsidiary £'000	2024 Group £'000
Trade Creditors	2,966	51	3,017
Other Tax and Social Security	56	41	97
Accruals and Deferred Income	520	48	568
Other Creditors	224	3	227
	3,766	143	3,909

Included in Trade Creditors and Cash is £1,800k (2024: £2,765k) in respect of the School Building Programme for which the Diocese acts as agent. The Diocese is bound by agreement with each individual School and, therefore, has no discretion over the use of these funds. As agent, during the year the Diocese received £1,408k (2024: £3,010k) and made payments of £2,373k (2024: £4,296k). Also included in Trade Creditors is £29k (2024: £34k) held on behalf of St Monica's Housing Trust Limited, a registered charity operating in the Diocese for the provision of accommodation for destitute women seeking asylum in the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. CAPITAL COMMITMENTS

The Diocese entered into a Private Finance Initiative (PFI) arrangement for the building of a School on 4 June 1999. The Leeds Diocesan Trust is obliged to make a payment of £115k per annum until August 2025. The payment is recognised as a charge to the Statement of Financial Activities in the year in which it is incurred.

The Diocese also had capital commitments of £90k at 31 March 2025 (2024: £90k).

18. OPERATING LEASES

At 31 March 2025 the Diocese had the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2025			2024
	Charity	Subsidiary	Group	Group
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	45	43	88	89
Between two and five years	88	170	258	269
	133	213	346	358

19. ANALYSIS OF CHARITABLE FUNDS

a) Analysis of Unrestricted Fund Movements

	For the year ended 31 March 2025					
	At 1 April 2024	Income	Expenditure	Transfer of Funds	Investments Gains/(Losses)	At 31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000
Parishes - Designated Funds	**35,968**	**7,060**	**(7,137)**	**(953)**	**9**	**34,947**
Curia - Designated Funds	**2,629**	**-**	**-**	**-**	**-**	**2,629**
Curia - General Funds	**6,275**	**2,762**	**(4,973)**	**997**	**(282)**	**4,779**
Curia - Unrestricted Funds	**8,904**	**2,762**	**(4,973)**	**997**	**(282)**	**7,408**
Total Unrestricted Funds	**44,872**	**9,822**	**(12,110)**	**44**	**(273)**	**42,355**

	For the year ended 31 March 2024					
	At 1 April 2023	Income	Expenditure	Transfer of Funds	Investments (Losses)/ Gains	At 31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Parishes - Designated Funds	38,215	7,057	(7,376)	105	(2,033)	35,968
Curia - Designated Funds	2,629	-	-	-	-	2,629
Curia - General Funds	6,719	2,789	(4,827)	1,029	565	6,275
Curia - Unrestricted Funds	9,348	2,789	(4,827)	1,029	565	8,904
Total Unrestricted Funds	47,563	9,846	(12,203)	1,134	(1,468)	44,872

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS (continued)

a) Analysis of Unrestricted Fund Movements (continued)

Parishes Unrestricted Funds are classified as Designated Funds to reflect the autonomy of each Parish given to it under Canon Law.

Parishes Designated Funds consist of a transfer to Curia Unrestricted Funds of £997k (2024: £1,029k) for the annual assessment and a transfer from Parish Restricted Funds of £44k (2024: £1,134k) for capitalised Parish building projects which have been financed by restricted fundraising initiatives and Grant funding.

Curia Unrestricted Funds consist of a transfer from Parish Designated Funds of £997k for the annual assessment levied to fund Diocesan expenditure and enable it to meet its statutory responsibilities.

Curia Designated Funds are for future youth evangelisation initiatives.

b) Analysis of Restricted Fund Movements

	For the year ended 31 March 2025					
	At 1 April 2024 £'000	Income £'000	Expenditure £'000	Transfer of Funds £'000	Investments (Losses)/Gains £'000	At 31 March 2025 £'000
Parishes						
Parish Fundraising	516	587	(477)	(44)	-	582
Second Collections	-	467	(401)	(66)	-	-
Batley Carr Cockrem Fund	420	9	-	-	(5)	424
Total Parishes	936	1,063	(878)	(110)	(5)	1,006
Curia						
Priests' Retirement Fund	5,431	118	(651)	22	531	5,451
Peru Mission Fund	89	54	(45)	1	-	99
Poor Mission Fund	191	10	-	1	-	202
Episcopal Mensa Fund	73	1	-	-	2	76
Pastoral Development Fund	32	-	-	-	-	32
St Patrick's Mission Church	339	39	(22)	-	-	356
Priests' Training Fund	40	14	(76)	22	-	-
National Schools Singing Programme	1,202	1,223	(822)	-	-	1,603
Other Funds	308	341	(352)	20	-	317
Total Curia	7,705	1,800	(1,968)	66	533	8,136
Total Restricted Funds	8,641	2,863	(2,846)	(44)	528	9,142

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS (continued)

b) Analysis of Restricted Fund Movements (continued)

	For the year ended 31 March 2024					
	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfer of Funds £'000	Investments Gains £'000	At 31 March 2024 £'000
Parishes						
Parish Fundraising	854	1,121	(325)	(1,134)	-	516
Second Collections	-	429	(368)	(61)	-	-
Batley Carr Cockrem Fund	382	9	-	-	29	420
Total Parishes	1,236	1,559	(693)	(1,195)	29	936
Curia						
Priests' Retirement Fund	5,624	118	(634)	18	305	5,431
Peru Mission Fund	107	6	(26)	2	-	89
Poor Mission Fund	181	-	-	10	-	191
Episcopal Mensa Fund	66	1	-	-	6	73
Pastoral Development Fund	32	-	-	-	-	32
St Patrick's Mission Church	327	29	(17)	-	-	339
Priests' Training Fund	36	37	(53)	20	-	40
National Schools Singing Programme	540	1,388	(726)	-	-	1,202
Other Funds	302	48	(53)	11	-	308
Total Curia	7,215	1,627	(1,509)	61	311	7,705
Total Restricted Funds	8,451	3,186	(2,202)	(1,134)	340	8,641

The purposes of the principal funds are detailed below:

Batley Carr Cockrem Fund:	This is a legacy that has been invested for the specific benefit of St Joseph's Parish, Batley Carr.
Priests Retirement Fund:	This fund provides accommodation and allowances for Priests who have retired from active ministry.
Peru Mission Fund:	The Diocese supports the Church's Mission in Peru.
Poor Mission Fund:	This fund provides assistance to less affluent Parishes and Religious Communities within the Diocese.
Episcopal Mensa Fund:	This fund supports the Bishop of Leeds and appeals made at his discretion.
St Patrick's Mission Church:	This is a Mission in the centre of Bradford and is operated jointly with the Franciscan Friars of the Renewal.

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS (continued)

b) Analysis of Restricted Fund Movements (continued)

Priests Training Fund: This fund pays for the seminary fees and other costs associated with training men for the Priesthood.

National Schools Singing Programme: This fund is financed through a grant agreement with the Vinehill Trust and the Benefact Trust. The grant agreement provides funding over eight years for the development of the Schools Singing Programme both in the Diocese and through a collaborative project with other Catholic Dioceses throughout the United Kingdom, a Catholic College and some Anglican Cathedrals.

c) Analysis of Permanent Endowment Fund Movements

	For the year ended 31 March 2025			
Curia	**At 1 April 2024 £'000**	**Income £'000**	**Expenditure £'000**	**At 31 March 2025 £'000**
Priests' Training Fund	**750**	**26**	**(26)**	**750**
Poor Mission Fund	**82**	**3**	**(3)**	**82**
Leeds Cathedral Music Fund	**157**	**5**	**(3)**	**159**
Mass Intentions Account	**41**	**1**	**(1)**	**41**
Total Endowment Funds	**1,030**	**35**	**(33)**	**1,032**

	For the year ended 31 March 2024			
Curia	At 1 April 2023 £'000	Income £'000	Expenditure £'000	At 31 March 2024 £'000
Priests' Training Fund	750	27	(27)	750
Poor Mission Fund	82	3	(3)	82
Leeds Cathedral Music Fund	152	9	(4)	157
Mass Intentions Account	41	1	(1)	41
Total Endowment Funds	1,025	40	(35)	1,030

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. NET ASSETS

	Parishes Funds			Curia Funds				Total Group and Charity Funds			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000
Tangible Fixed Assets	21,793	-	21,793	9,519	1,667	-	11,186	31,312	1,667	-	32,979
Investment Properties	3,750	-	3,750	5,915	-	-	5,915	9,665	-	-	9,665
Fixed Asset Investments	-	424	424	4,318	4,376	1,032	9,726	4,318	4,800	1,032	10,150
Bank Balances: (Cash/(Overdrafts))	7,849	582	8,431	(8,955)	2,093	-	(6,862)	(1,106)	2,675	-	1,569
Other Net Current Liabilities	(200)	-	(200)	(1,634)	-	-	(1,634)	(1,834)	-	-	(1,834)
Inter Parishes and Curia Loans (net)	1,755	-	1,755	(1,755)	-	-	(1,755)	-	-	-	-
TOTAL NET ASSETS	**34,947**	**1,006**	**35,953**	**7,408**	**8,136**	**1,032**	**16,576**	**42,355**	**9,142**	**1,032**	**52,529**

2024

	Parishes Funds			Curia Funds				Total Group and Charity Funds			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000
Tangible Fixed Assets	22,054	-	22,054	10,515	-	-	10,515	32,569	-	-	32,569
Investment Properties	3,750	-	3,750	5,765	-	-	5,765	9,515	-	-	9,515
Fixed Asset Investments	-	420	420	6,985	5,019	1,030	13,034	6,985	5,439	1,030	13,454
Bank Balances: (Cash/(Overdrafts))	7,273	516	7,789	(8,865)	2,686	-	(6,179)	(1,592)	3,202	-	1,610
Other Net Current Assets/(Liabilities)	111	-	111	(2,716)	-	-	(2,716)	(2,605)	-	-	(2,605)
Inter Parishes and Curia Loans (net)	2,780	-	2,780	(2,780)	-	-	(2,780)	-	-	-	-
TOTAL NET ASSETS	35,968	936	36,904	8,904	7,705	1,030	17,639	44,872	8,641	1,030	54,543

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. RELATED PARTY TRANSACTIONS

The Diocese of Leeds Trustee is also the Trustee of one other registered charity, St John's Catholic School for the Deaf. There were no related party transactions in either the current year or the prior year.

The Rt Rev Marcus Stock (Chair of the Trustee) is also a Trustee of a registered charity, Catholic Care (Diocese of Leeds). The Leeds Diocesan Trust made payments to Catholic Care in the year ended 31 March 2025 of £11k (2024: £15k) for care and other support services for retired Priests.

The Leeds Diocesan Trust operates a wholly owned trading subsidiary, Hinsley Properties Limited. Rev Mgr P Fisher and Rev Mgr A Summersgill are Directors of both the Diocese of Leeds Trustee and Hinsley Properties Limited.

During the year, the Charity received £50k (2024: £50k) in rent and management fees from Hinsley Properties Limited. At 31 March 2025, £113k was payable by the Leeds Diocesan Trust to Hinsley Properties Limited and in the prior year £790k was payable by Hinsley Properties Limited to Leeds Diocesan Trust.

LEEDS DIOCESAN TRUST

England & Wales - Charity number 249404

Accounts

Leeds Diocesan Trust

Registered Charity Number 249404

Report and Consolidated Financial Statements

For the year ended

31 March 2024

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DIRECTORS AND ADVISORS

Trustee

Diocese of Leeds Trustee
(Company registration number 2886244)
Registered Office: Hinsley Hall, 62 Headingley Lane, Leeds, LS6 2BX

Directors of the Trustee

Rt Rev M Stock	(Bishop of Leeds)
Rev Mgr P Fisher	(Vicar General)
Rev Mgr A Summersgill	(Vicar General)
Very Rev E Hegarty	(appointed 12 September 2023)
Mrs M Benton	(appointed 12 September 2023)
Mr L Corcoran	(appointed 12 September 2023)
Mr M Gargan	(resigned 24 April 2024)
Mr L Kelly	(appointed 12 September 2023)
Mr P McDermott	
Mr W O'Neill	(appointed 12 September 2023)
Mr P Rogerson	(resigned 27 June 2023)
Ms H Wain	(appointed 12 September 2023)
Mr P Wilson	(appointed 12 September 2023)

Registered Office

Hinsley Hall, 62 Headingley Lane, Leeds, LS6 2BX

Company Secretary to the Trustee

Mr J Moran

Auditor

Saffery LLP, Mitre House, North Park Road, Harrogate, HG1 5RX

Banker

HSBC Bank plc, 33 Park Row, Leeds, LS1 1LD

Investment Managers

Investec Wealth & Investment, 100 Wood Street, London, EC2V 7AN
Rathbone Investment Management, 1 Curzon Street, London, W1J 5FB

Solicitors

DLA Piper UK LLP, Princes Exchange, Princes Square, Leeds, LS1 4BY
Hill Dickinson LLP, No 1 St Paul's Square, Liverpool, L3 9SJ

REPORT OF THE TRUSTEE

The Trustee presents its Annual Report and the audited Consolidated Financial Statements of the Charity for the year ended 31 March 2024.

CONSTITUTION AND AIMS

The Charity, the Leeds Diocesan Trust ("the Diocese"), is a registered charity with the registration number 249404. The Charity was established in its current form by a Trust Deed dated 20 December 1993. The sole Trustee of the Charity is a trust corporation, the Diocese of Leeds Trustee, company registration number 2886244.

In support of the Mission of the Catholic Church, the principal objectives of the Charity are:

- Advancement of the Catholic Religion;
- Promotion of Catholic Teaching in the Diocese and beyond;
- Provision and care of Priests; and
- Maintenance of Churches, Presbyteries and Schools.

The Trustee confirms that it has complied with the requirements of the Charities Act 2011 Section 17 to have due regard to the public benefit guidance published by the Charity Commission including the guidance "Public benefit: running a charity (PB2)" in determining the activities undertaken by the Charity. Throughout this Annual Report the Trustee seeks to demonstrate that the Charity's principal aims and objectives are for the public benefit.

The Diocese consists of 76 Parishes, in West Yorkshire, North Yorkshire, the East Riding of Yorkshire, Greater Manchester and Lancashire. The Diocese also has 92 Catholic Schools, Academies and Colleges. Leeds Trinity University, a Catholic University, is also located within the Diocese.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE

The operation of the Charity is overseen by the Trustee. The Directors of the Trustee are appointed by the Bishop of Leeds who is Chair of the Trustee Board. There were four Trustee Board meetings during the financial year.

The Trustee Board under Canon Law is the Diocesan Finance Council.

The Bishop of Leeds and the Vicars General are ex-officio Directors of the Board. All other Directors are appointed for a term of three years which may be renewed, subject to performance and review, for an additional two terms of three years each.

Directors are recruited from Clergy and suitably qualified and experienced members of the wider Catholic community. The recruitment process followed safer recruitment practice which included a Disclosure and Barring Service (DBS) Check. An Induction Programme is provided for new Directors on their appointment. The programme includes an introduction to their role and responsibilities as Directors and information on the Trust's governing documents and committee structures. Directors are given briefings on the Diocese's working in Parishes and the role and functions of Curia departments. Directors attend formal and informal training sessions on a regular basis.

As disclosed in Note 10 to the Financial Statements, Directors do not receive any payments in respect of their Office. No reimbursement of expenses was paid to the Directors of the Trustee in either the current or prior year.

The Trustee Board, has a Planning and Review Group and three principal Sub-Committees:

Planning and Review Group

The Planning and Review Group (PRG) consists of:
Directors

- Rev Mgr A Summersgill (Chair)
- Rev Mgr P Fisher
- Mr W O'Neill

and the Company Secretary, Mr J Moran.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding Sub-Committee

The Safeguarding Sub-Committee (SSC) consists of:

Directors

- Rev Mgr P Fisher
- Mr P McDermott (Chair)
- Mr L Corcoran

Members

- West Yorkshire Police representative
- Probationary Service representative
- Safeguarding for Adults representative
- Safeguarding for Children representative
- Criminal and Other Legal Specialist

Education Sub-Committee

The Education Sub-Committee (ESC) consists of:

Directors

- Mrs M Benton
- Mr L Kelly (Chair)

Members

- Rev Mgr P Grogan (Episcopal Vicar for Education)
- Mr S Gregson
- Mrs K House
- Mrs M Morgan

Finance Sub-Committee

The Finance Sub-Committee (FSC) consists of:

Directors

- Rev Mgr P Fisher
- Rev Mgr A Summersgill (Chair)
- Mr W O'Neill
- Ms H Wain
- Mr P Wilson

Members

- Very Rev Canon G Kearney
- Rev M Larkin
- Mr T Forbes

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Reflecting Canon Law, this report separates the Charity's activities between Parishes and Curia.

Parishes

The Diocese is divided into distinct Parishes. Parish Priests are appointed by the Bishop to exercise pastoral care for the Parish community, which includes representing the Parish in all juridic affairs and ensuring that the Parish is administered in accordance with the norms of Canon Law, in fulfilment of the aims of the Charity.

As encouraged by the "Directory for the Pastoral Ministry of Bishops", the Bishop, in consultation with Priests and the Faithful, reviews the Parish structure on a regular basis to ensure long-term pastoral sustainability. The Bishop undertakes "Parish Visitations" where he personally reviews each Parish on a rolling five-year programme.

Each Parish is required by Canon Law to have a Finance Council to assist the Parish Priest in the administration of the Parish. Parish Finance Councils (often known locally as the Parish Finance Committee) include Parishioners with knowledge and experience in finance, property management and administration.

Curia

The Curia consists of Departments and Agencies which assist the Bishop in the governance of the Diocese. The Bishop delegates oversight of the Curia to the Moderator, Rev Mgr A Summersgill. The Curia collaborates with the Parishes in order to fulfil the Charity's principal objectives, to ensure that statutory obligations are met and to promote best practice in safeguarding, health and safety, data protection and financial management.

The remuneration of Key Management Personnel is disclosed in Note 10 to the Financial Statements. The annual pay award is approved by the Trustee and job roles and remuneration are reviewed periodically.

Planning and Review Group

The Planning and Review Group (PRG) is responsible to the Trustee for facilitating and steering the development of the Diocese's property and finance strategy. The PRG has oversight and provides direction on:

- The Diocese's strategy and planning so that it is appropriate to its Mission;
- Trading performance of the Charity's trading subsidiary, Hinsley Properties Limited;
- The efficient management of the Diocese's land and buildings portfolio;
- The Diocese's Risk Register; and
- The Diocese's Human Resources policies, processes and practices.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding

Safeguarding of children, young people and adults at risk is fundamental to the Diocese's Mission. The Safeguarding Sub-Committee (SSC) is responsible to the Trustee to ensure that a culture of safeguarding pervades in all areas of the Diocese's Ministry.

The SSC is also responsible to the Trustee to ensure that the Diocese's safeguarding policies and procedures comply with current legislation and that it achieves best practice as stated by the Catholic Safeguarding Standards Agency (CSSA), as published at https://catholicsafeguarding.org.uk/. The Safeguarding Coordinator reports to the SSC. The SSC has oversight of the Safeguarding Team providing, where appropriate, advice and guidance on the management of individual cases and in the development and implementation of the Diocese's safeguarding strategy.

Following the appointment of a new Safeguarding Coordinator in May 2023 there was a restructure of the Safeguarding Team which included the appointment to a new Safeguarding Advisor role and the recruitment of a Disclosure and Barring Service (DBS) Administrator.

Safeguarding interventions and support services continue to focus on responding to the needs of victims and survivors and where necessary taking prompt action to protect children, young people or adults who may be at risk. Critical to our interventions and support services is the well-established multi-agency working with the Police, Probation Service and Social Care. The Safeguarding Team keeps under review its case management system which is a key component of its effectiveness. In the year ended 31 March 2024, the Safeguarding Team managed 43 cases of which 10 have been new referrals. The Safeguarding Team have supported 8 victims including signposting them to domestic violence and stalking services, modern day slavery services and Safe Spaces. At its March 2024 Board Meeting the Trustee approved a Charter for the "Care of Victims and Survivors" which can be accessed here: www.dioceseofleeds.org.uk/safeguarding/support-for-survivors/.

Training for Clergy, Employees and Volunteers is essential to safeguarding being embedded, promoted, and adhered to in all areas of the Diocese's Ministry. A Training Needs Analysis was undertaken during the year, following which bespoke training was provided to the Trustee's Directors at its March 2024 meeting. In the year ended 31 March 2024 over 150 Priests, Deacons and Employees attended training sessions. In the new financial year, training in line with CSSA guidelines and best practice, will be developed for Volunteers.

The Safeguarding Team works closely with Parishes on the safer recruitment of all adults whose role and responsibilities include contact with children, young people, and adults at risk. A Safer Recruitment Policy is being developed and will be implemented in the new financial year. A Safeguarding Dashboard, "Clearly Simpler", is being rolled out to Parishes which will enable Parish Safeguarding Representative to better administer the DBS checks and importantly it will facilitate their renewals in line with the CSSA's 3 yearly policy.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding (continued)

In the year ended 31 March 2024 the Safeguarding Team completed 605 (2023: 803) DBS checks with a further 107 DBS checks being in progress.

Bishop Marcus and the Directors are grateful to Parish Safeguarding Representatives for the essential role they play in delivering the Diocese's commitment to safeguarding.

Education

Education formation is essential to fulfilling the Diocese's Mission and is therefore a principal objective of Charity, "Promotion of Catholic Teaching in the Diocese and beyond". The Education Sub-Committee (ESC) is responsible to the Trustee to monitor and provide strategic support to the Vicariate for Education by:

Catholic Education in Schools and Colleges

- Advising on significant changes in legislation which impact on Catholic Education;
- Overseeing the development of Catholic Multi-Academy Trusts (CMATs) and collaboration between them; and
- Fostering high-quality leadership and governance and best practice in all schools and colleges.

Lifelong Faith Formation

- Overseeing the Diocese's programme of accredited courses;
- Ensuring that the Diocese is represented at local, national and international evangelisation forums; and
- Reviewing the effectiveness of the Vicariate for Education's initiatives and support for Deaneries and Parishes.

Youth Formation

- Ensuring that the Diocese is engaged in local, national and international youth pilgrimages; and
- Collaborating with 'The Twelve' (the Bishop's Youth Leadership Team) as a voice for young people.

Finance

Good stewardship is integral to the Mission of the Diocese and the Finance Sub-Committee (FSC) is responsible to the Trustee to ensure that the Diocese's day-to-day financial, property, investment, and administrative matters meet all statutory requirements and follow best practice.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Finance (continued)

The FSC meets on a monthly basis and advises the Trustee Board on property acquisitions and disposals, significant capital projects, and on property and overhead expenditures. On a quarterly basis, the FSC reviews the Diocese's Consolidated Financial Statements, Cash Flow projections and the Diocese's Risk Register.

The Diocese's internal financial reporting systems and processes provide assurances to the Trustee, Curia Senior Management, Parish Priests and Parish Finance Committees on the integrity of the financial accounting and governance procedures within Parishes and Curia Departments.

The Curia Finance and Property Departments work with Parishes, to develop their local financial strategy and plans, in order that they can both meet their day-to-day operational commitments and plan for larger non-recurring costs typically associated with the repairs and maintenance or upgrade of their property portfolios. A key component of this work is identifying grant funding opportunities.

Health and Safety

The FSC is responsible to the Trustee for keeping the Diocesan Health and Safety Policy under review and it works with internal and external Health and Safety professionals to ensure that best practice is maintained throughout the Diocese in its processes and procedures.

The day-to-day management of the Diocesan Health and Safety Policy is undertaken by the Curia's Property Department which includes a full-time Health and Safety professional. The Curia's Property Department visits each Parish regularly to ensure that it meets all its Health and Safety obligations and through its Shared Services provides practical bespoke support to Parish Priests in the management of their property portfolios, including Statutory Testing, coordination of Portable Appliance Testing (PAT) and oversight of Fire Risk Assessments.

An e-learning Health and Safety training package promoted by the Diocese's insurance advisors, Catholic Insurance Services Limited (CIS), was launched during the year for Clergy and Employees. Curia staff are currently working with CIS to develop an appropriate and accessible e-learning Health and Safety training package that can be delivered to volunteers in a group setting.

Fundraising

The majority of funding is received from Parishioners principally through the weekly Offertory collection, planned-giving (standing orders), special collections and fundraising activities.

Bishop Marcus and the Directors express their sincere thanks and gratitude for the continuing generosity of Parishioners when there are ongoing pressures on household budgets.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

The Diocese is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice. The Diocese does not employ outside agencies to raise funds. In both the current year and the prior year no complaints were received in respect of fundraising.

Data Protection

The Diocese takes seriously its legal and moral obligations for Data Protection. The Diocese has a dedicated Data Protection Officer (DPO) who provides guidance and support on Data Protection to Clergy, Staff and Volunteers in Parishes, Curia Departments and agencies. The Diocese's Privacy Notice and the DPO's contact details are published on the Diocese's website www.dioceseofleeds.org.uk/privacy-notice/.

During the year ended 31 March 2024 no data breaches were reported to the Information Commissioner's Office (ICO) and one Data Subject Access Request (DSAR) was received.

Volunteering

Volunteers (whose roles are a public benefit as articulated in the Charity's principal objectives), play a central role in fulfilling the Mission of the Church in the Diocese. Parish volunteers are involved in all aspects of the spiritual, pastoral and social life of their Parish communities. Volunteers serve as Extraordinary Ministers of the Eucharist and Catechists, Welcomers, Altar Servers, Musicians and Cleaners. Within the wider Parish there are volunteers visiting the sick, the housebound and those on the margins of society as well as providing very practical support through operating food banks and delivering Christmas hampers. These ministries are often carried out in conjunction with other Catholic charities such as the Society of St Vincent de Paul (SVP).

Volunteers working in Diocesan agencies such as the Justice and Peace Commission and St Patrick's Mission provide a vital contribution to supporting the most disadvantaged members of society throughout the Diocese, often engaging with Government and other national agencies and forums. This public benefit work is carried out irrespective of the faith, sexual orientation or ethnic background of those in need.

Volunteers also play a significant role in the governance, financial, and property management of their Parishes. There are more than 1,200 volunteers providing over 13,000 hours of work in these areas. Whilst it is not practical to place a definite monetary value on this work, an indicator based on the Living Wage Foundation hourly rate of £12 per hour (2023: £10.90 per hour) would suggest a value of at least £156k (2023: £142k) per annum.

Parish Safeguarding Representatives work with the Diocese's Safeguarding Team to ensure that all volunteers are DBS checked to the appropriate standard for the role they are undertaking and that best safeguarding practices are integral to their ministry.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE

A review of the Charity's principal charitable objectives and its Public Benefit is outlined below. The Charity delivers its principal charitable objectives through its Parishes, Schools and Agencies supported by the Diocesan Curia and the Diocese's Pastoral Centre (which is managed through the Charity's trading subsidiary undertaking, Hinsley Properties Limited).

1. Advancement of the Catholic Religion

The Diocese supports and encourages the promotion of the Catholic Religion at a local, national and international level.

Faith is nurtured and expressed by the Faithful within their Parishes. As well as regular Sunday and weekday Masses, Parishes offer a wide range of formal and informal opportunities for Parishioners and those new to the Church to further and explore the Faith. Typically, this includes residential retreats, courses such as the Rite of Christian Initiation of Adults (RCIA), Alpha in a Catholic Context or the Sycamore Programme. The Pastoral Statistics from October 2023 indicate that 1,536 (October 2022: 1,651) individuals were baptised, of whom 142 (October 2022: 136) were over 7 years of age. In the same period a further 72 (October 2022: 72) were received into the Catholic Church.

Within our Diocese, the Afro-Caribbean, Eritrean, Hungarian, Italian, Lithuanian, Polish, Syro-Malabar and Ukrainian Chaplaincies complement the work of Parishes, enabling members of these communities to worship in their own language and reflecting the richness of the liturgical Rites within the Catholic Church. Signed Masses take place on a monthly basis at Leeds Cathedral and Caritas Leeds is involved in dementia-friendly initiatives. There is also a monthly Cupertino Mass, with a more accessible liturgy particularly for those with additional needs. Priests, Deacons and Laity are Chaplains in hospitals, hospices and prisons throughout the Diocese.

Sunday Mass attendance averaged 18,236 (October 2022: 16,691) in the annual attendance count in October 2023. This represents an increase of 9.3% compared to the prior year.

In July 2023 Leeds Cathedral received a £100k National Lottery Heritage Fund grant for a project entitled "Heritage for All". The project incorporates several initiatives to promote the sharing of the Cathedral's history, heritage, and culture at the heart of the City of Leeds. In particular the development of schools' resources and the recruitment and training of Cathedral Guides aim to help the wider community encounter the faith through the beauty of the Cathedral's architecture.

The Church's rich liturgical traditions are expressed publicly through the Cathedral's annual Civic Carol Service and Palm Sunday Procession, the Blessed Sacrament Procession in the grounds of Hinsley Hall and the Batley Torchlight Procession. Annual Diocesan Pilgrimage Walks, co-ordinated by the Diocesan Director of Communications are a public witness to promote the Catholic Faith. These pilgrimages include the established St Wilfrid's Way between Leeds Cathedral and Ripon which has inspired the new Catholic walking pilgrimage initiative "Hearts in Search of God". Green walking pilgrimages will feature in the 2025 Jubilee Year with its theme

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

1. Advancement of the Catholic Religion (continued)

"Pilgrims of Hope". A new Diocesan Pilgrimage Walk for Vocations "In Father Brown's Footsteps" took place in March 2024 across Ilkley Moor - Fr John O'Connor, a Priest of the Diocese of Leeds, was GK Chesterton's inspiration for his 'Father Brown' stories (www.pilgrimways.org.uk/walking-as-pilgrims-of-hope-in-father-browns-footsteps).

Parishes are engaged in local initiatives with other charitable organisations whose objectives are compatible with the Charity, many Parishes have CAFOD, SVP and Justice and Peace groups. Financial support to these organisations is provided through local second collections and Parish fundraising events and activities.

Parish Centres are used by members of the wider communities in which they are based, acting as venues for youth groups and other community organisations. Parishes either organise or work with other charities in running food banks, lunch clubs and other wellbeing groups.

In July 2023, Bishop Marcus designated the existing diocesan charity, Catholic Care, as the new Caritas Leeds. Catholic Care is excellently placed to assist the Bishop, clergy, religious and lay faithful of the Diocese to put many aspects of Catholic Social Teaching into practice. The new structure will provide a forum for representatives of parish projects involved in charitable outreach to collaborate, identify and satisfy new areas of need within the Diocese. Catholic Care will also assume the important role of offering guidance to parish groups wishing to organise new charitable initiatives.

St Patrick's Mission is a centre for Catholic renewal based in the City of Bradford. This is a collaboration between the Diocese and the Franciscan Friars of the Renewal that creates a culture of Catholic spiritual renewal and missionary outreach in Bradford's city centre. It provides concrete works of Christian charity to the poor and destitute through the operation of a soup kitchen and clothing bank, as well as providing opportunities to evangelise amongst those who visit, work, and shop in Bradford's city centre (www.facebook.com/StPioFriary/).

Parish Second Collections are disclosed as a Restricted Fund in Note 19(b) to the Financial Statements. In the year ended 31 March 2024 £429k (2023: £436k) was received to support the work of the Church:

- Internationally (Peter's Pence, Mission (World Mission Sunday));
- Nationally (Stella Maris, Racial Justice, Day for Life, the Catholic Education Service and Catholic Communications); and
- Within the Diocese (Poor Mission Fund, Catholic Care, Peru Mission, Priests Retirement Fund, Priests Training Fund, Lourdes Fund, Youth Services and Home Mission Sunday).

Parishes also support the Church's International Outreach work in countries such as Ethiopia, India, Kenya, Pakistan and Zimbabwe.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching

The Diocese covers all eight local authorities of West Yorkshire, parts of North Yorkshire, the East Riding of Yorkshire and Lancashire and has 92 Catholic designated Educational Establishments consisting of 78 Primary Schools, 12 High Schools, a Sixth Form College, and a non-maintained residential Special School (St John's Catholic School for the Deaf, a registered charity for which the Trustee is also the Trustee). The Diocese has close partnerships with Leeds Trinity University.

The Diocese's five Catholic Multi-Academy Trusts (CMATs) continue to support schools. Each CMAT has an established central team to support schools in school improvement, finance, HR, estates management and governance, with CMATs sharing best practice.

At 31 March 2024, 82 per cent of Diocesan Schools had converted from Voluntary-Aided Schools to Academy Status and are members of a CMAT and 88 per cent of all Diocesan Schools are expected to have converted to Academy Status by 31 March 2025.

Vicariate for Education

The Vicariate for Education is proactive in its collaboration with national and regional statutory bodies including the Department for Education and its Regional Director, Ofsted and Local Authorities to promote the highest educational standards throughout our Diocesan Schools.

The Episcopal Vicar for Education recognises the commitment and dedication of our volunteers who support the work of the schools and colleges as Trust Directors and School Governors. The contribution of Trust Directors and School Governors is essential in ensuring that the Mission of Proclaiming the Gospel is fulfilled in our Schools. The Episcopal Vicar for Education also recognises the huge and valued commitment of the staff across our educational establishments who continue to give generously in their vocation to our School and Trust communities.

The Vicariate for Education, supported by the Catholic Education Service (CES), works closely with Schools and Trusts in ensuring that a Catholic ethos runs throughout the character of our Schools and in the provision of a Religious Education (RE) syllabus. Schools are actively engaging in the National Catholic School Inspection Framework. Key to the provision of an inspiring RE syllabus is the development of Continuous Professional Development (CPD) for RE teachers, in partnership with RE Today.

The National Catholic Leadership Programme has been implemented during the year. This is a an 18-month programme for prospective headteachers to give them a full insight into leadership in Catholic Schools. This will enable the Vicariate for Education to have a clear oversight of future leaders and to assess the potential impact of the continuing recruitment challenges in Catholic leadership.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

Vicariate for Education (continued)

The Vicariate for Education is supporting Leeds Cathedral's ongoing National Lottery Heritage Fund project. Working with Diocesan school teachers, Curia colleagues, Leeds Cathedral and Vicariate for Education Staff have produced a suite of resources aimed at facilitating visits to the Cathedral for groups of Key Stage 2 pupils.

The Youth Team complements the work in our Schools with a programme of well-established events and collaborations throughout the year. "The Twelve" is the Bishop's Youth Leadership Team. In developing their leadership role, "The Twelve" work with Caritas Leeds (with representatives from Catholic Care) and Leeds Citizens. Current themes include exploring the impact of the Personal, Social, Health and Economic (PSHE) curriculum and the ease of access to support networks in their high schools.

At a national level, the Youth Team works with the Catholic Youth Ministry Federation (CYMFed). Thirty young people from the Diocese attended World Youth Day in Lisbon in August 2023. In July 2023 the youth summer camp took place at the Savio House Retreat Centre, Cheshire. The camp focussed upon the "Narnian" virtues and also gave opportunities for young adults to volunteer as part of the leadership team.

The annual Lourdes Pilgrimage was an overwhelming success with over 200 students from Year Ten and Year Twelve taking part. A Lourdes Pilgrimage formation guide, for both Catholic and non-Catholic School staff has been prepared for the July 2024 pilgrimage. This will support staff in engaging with the Lourdes experience both as a leader and as a pilgrim themselves.

The Youth Team continue to support the work of Faith in Action across schools and parishes. Monthly "Revelation" sessions at Hinsley Hall provide an opportunity for young people to come together in faith to explore the successes and challenges they face and to have fun.

The Bishop's Certificate in Catechesis has been a tremendous success with a full cohort of over 30 Level 1 delegates graduating in April 2024. Some Catechists have chosen to undertake the Level 2 Certificate. High-quality resources for the first sacramental programmes to support Family Catechesis continue to be in high demand from within and beyond the Diocese.

A comprehensive programme including a Youth Pilgrimage to Rome, complementing the work of the Diocesan Director of Communications, is being prepared for the Year of Jubilee 'Pilgrims of Hope' 2025. During the year, as part of the preparations for the Jubilee Year, the focus has been on Adoration of the Blessed Sacrament. Resources have been produced to assist leaders in parishes and schools in facilitating this devotion.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

Diocese of Leeds Music

Diocese of Leeds Music complements the work of the Vicariate for Education in our Catholic Schools and CMATs through its Schools Singing Programme (SSP) and its Keyboard Studies Programme (KSP). Both programmes focus on bringing the sacred scriptures and the Christian faith alive in the hearts of the children and young people who participate and also in those of their families, their communities and all who hear and see them.

The Department's strategic impact is measured in terms of evangelisation and inclusion, focussing on the participation of young people in parish life and whole-school acts of worship. Children participate in a variety of liturgical celebrations, concerts, national BBC broadcasts and musical festivals. The Department works with Diocesan Director of Communications, contributing to the Catholic Voice and during the year, Leeds Cathedral Choir broadcast three times on BBC Radio 3 and featured in three episodes of "Songs of Praise" on BBC One.

Many of the Schools within the Diocese are found within communities which rank amongst the most deprived 10% nationally (Index of Multiple Deprivation (IMD) 2019). Diocese of Leeds Music strives to ensure that the Church's patronage of the arts is available to foster catechesis, individual aspiration and collective flourishing for all.

Schools Singing Programme

The Schools Singing Programme (SSP) is a funding collaboration between our schools, parishes, and Diocese of Leeds Music. Established in 2003, the Programme now delivers training in liturgical music to around 6,500 children each week in 70 schools, comprising 65 primary schools, 4 secondary schools, and Notre Dame Sixth Form College. A generous grant from the Vinehill Trust (formerly the Hamish Ogston Foundation) has enabled significant expansion in recent years, supporting the employment of additional full-time staff to reach even more schools across the Diocese.

The SSP runs 19 after-school choirs to complement the weekly whole-class singing sessions during the school day. The after-school choirs include boys and girls choirs in Bingley, Bradford, Harrogate, Huddersfield, Keighley, Pontefract, Ripon, Skipton, Wakefield and seven Leeds Cathedral choirs. Choirs sing at Masses and other liturgies at Leeds Cathedral (where there are 8 sung liturgies of Mass and Vespers each week); St Patrick's, Huddersfield; St Joseph's, Bradford; and in other parishes across the Diocese.

Partnerships with Gabrieli and The Sixteen, two internationally renowned choral ensembles, provide children from diverse backgrounds with opportunities to sing in public concerts and offer role models for careers in the arts. Diocese of Leeds Music also hosts groups which come to study and work with the SSP, including Vanderbilt University which visited in May 2023 and the University of Texas at El Paso which will visit again in October 2024.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

Diocese of Leeds Music (continued)

Keyboard Studies Programme

The Keyboard Studies Programme (KSP) enables around 1,500 children to learn to read music while playing the melodica, a low-cost, durable, and portable instrument. This provides a pathway to begin lessons on related keyboard instruments; classical accordion, piano, and organ. Support from the Liz and Terry Bramall Foundation over six years has ensured that children, irrespective of their families' resources, are able to participate in all stages of the KSP.

The highlight of the sixth Leeds International Organ Festival was an 'in conversation' with world-famous concert organist Dame Gillian Weir, hosted by Peter Wright. Lunchtime recitalists included Carlos Paterson, David Bendix Nielsen, Frederick Hohman, Darius Battiwalla and Angela Metzger alongside the Diocese of Leeds Music staff. Paterson and Metzger also delivered masterclasses for students in the KSP which were sponsored by the Brereton Memorial Fund.

National Schools Singing Programme

The National Schools Singing Programme (NSSP) is in its fourth year of development. This initiative offers seed funding, provided by the Vinehill Trust and Benefact Trust, to dioceses and a group of Anglican cathedrals across the UK to create their own Singing Programmes modelled on the Diocese's SSP. Senior members of the Diocese of Leeds Music staff work with 26 Catholic dioceses, Stonyhurst College and Anglican cathedrals in Derby, York, Liverpool, Sheffield, Leicester, Newcastle and Edinburgh.

3. Provision and Care of Priests

Central to Parish life is the relationship between the Parish Priest, Assistant Priests and Parishioners. The welfare of Priests is defined in Canon Law. Parishes are responsible for the support of their own Priests. During the year, Parishes paid £776k (2023: £657k) in allowances and offerings, £360k (2023: £332k) in housekeeping costs and £108k (2023: £123k) in travel expenses to Priests.

Key to sustaining the advancement of the Catholic Religion is the promotion and support of vocations to the Priesthood and the Permanent Diaconate.

The Vocations Director engages with men and women discerning vocations to the Priesthood, Religious and Consecrated Life. This is achieved through individual accompaniment, discernment groups and through the University Chaplaincies and the High Schools in the Diocese. The Diocese has three (2023: four) men training for the Priesthood. In the year ended 31 March 2024, the Priests Training Fund received a generous donation of £25k from the St Cuthbert's Society, Ushaw and income of £20k (2023: £18k) was received from the Parish Second Collection towards seminary fees and living allowances expenditure of £95k (2023: £115k).

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

3. Provision and Care of Priests (continued)

To support Priests in their ministry, the Directors of Ongoing Spiritual and Pastoral Formation provide a programme of reflection and study consisting of residential and day events and an Annual Presbyteral Conference at Hinsley Hall. The residential conference is important to help nurture fraternal links within the Presbyterate.

A Mentoring Programme for newly ordained Priests provides a consistent approach to a Priest's ongoing pastoral development. Priests with greater experience (mentors) are matched with those more recently ordained (mentees).

The Diocese supports Priests who have retired from active ministry by providing appropriate living accommodation and an allowance to supplement their statutory pensions. The Diocese has a collaboration agreement with Catholic Care, a registered charity (as disclosed in note 21 to the Financial Statements) to provide welfare and other practical support to retired Priests. Catholic Care has the expertise to provide assessments for priests immediate and future housing needs and to ensure that retired Priests are receiving appropriate welfare and medical support. This is a bespoke service, tailored to meet the changing needs of each retired Priest.

In the year ended 31 March 2024, income of £18k (2023: £18k) was received from the Parish Second Collection for the Priests Retirement Fund and £118k (2023: £131k) was received in dividend income from an investment fund, the Retired Priests Fund, to support grant payments of £332k (2023: £286k) to retired Priests.

Permanent Deacons

The work of the Bishop and Priests is supported by men ordained to the Permanent Diaconate. The Diocese currently has 22 Permanent Deacons (2023: 23), three of whom serve in other Dioceses. There are four candidates in formation. Permanent Deacons are ordained for a ministry of service to the Church through their involvement in the liturgy, teaching and works of charity. The Bishop allocates Permanent Deacons to parishes and deaneries. Permanent Deacons may also have specific pastoral responsibilities such as chaplaincy, governance and administrative activities. In the allocation of responsibilities, the Permanent Deacon's family and career responsibilities are given careful consideration. The Directorship of the Permanent Diaconate is comprised of three Deacons with roles which encompass recruitment, formation and pastoral care for Permanent Deacons in active ministry and those who have retired from active ministry.

The formation of Permanent Deacons takes place in collaboration with the Dioceses of the Northern Province, through the Northern Diaconal Formation Partnership. This Partnership is currently in the process of registration as a Charitable Incorporated Organisation to which the Diocese and each of the Dioceses of the Partnership will appoint a Trustee. A significant proportion of the formation of the students of this Partnership takes place in residential meetings at our Diocesan Pastoral and Conference Centre, Hinsley Hall.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

4. Maintenance of Property

Churches and associated Parish buildings play a central role in facilitating parish life. A church is often a significant landmark and a social hub in its wider community. Over 90 per cent of the buildings owned by Parishes are more than 50 years old. Collectively, Parishes spent £1,994k (2023: £1,935k) on refurbishments, maintenance and repairs to churches, presbyteries and parish halls during the year. This level of investment equates to 25 per cent (2023: 24 per cent) of Total Parish Operating Expenditure and reflects the importance that the Diocese attaches to maintaining its Sacred Places.

During the year, capital expenditure of £2,243k (2023: £796k) was invested in churches, principally £468k for the refurbishment of Our Lady of Lourdes, Leeds; £443k for the creation of a narthex at St Wilfrid's, Ripon; £335k for extensive repairs to the church of St Edward King and Confessor, Clifford; £230k in respect of major roof and structural works at St Joseph's, Bradford; £191k for the reordering of St Joseph's, Castleford; £143k for the Community Room at Holy Rosary Church and £138k for projects at Leeds Cathedral.

The Property Department works with the Historic Churches Committee (HCC) (a statutory body established under the Ecclesiastical Exemption (Listed Buildings and Conservation Areas (England) Order 2010) to oversee and approve all building works on Listed Places of Worship. The Property Department also works with the Diocesan Art, Architecture and Heritage (AAH) Committee which considers all applications to undertake building works on churches in the Diocese. Members of the Committees are drawn from the Clergy, Lay Professionals, Local Authority Planning Departments and the Amenity Societies. The Property Administrator acts as Secretary to these Committees.

Parish volunteers, supported by Curia Property, Finance and Communications Departments have been instrumental in organising local fundraising initiatives and in securing grant funding for Parish property projects. Grants awarded in the year include £100k from the National Lottery Heritage Fund for the "Heritage for All" project at Leeds Cathedral. We are also very grateful to the National Lottery Awards for All scheme for £75k benefiting community projects in seven parishes, to the Benefact Trust for grants totalling £57k for projects in nine parishes and to the Yorkshire Historic Churches Trust for £33k across four parishes. Funding of £40k was very gratefully received from Bradford Metropolitan District Council for food banks and a further £25k for small capital grants. Our Lady of Kirkstall Parish received £25k from Leeds City Council for a project to support asylum seekers and the Albert Gubay Charitable Foundation awarded £25k towards roof repairs at St Augustine's, Leeds. The Community Room at the Holy Rosary Church, Chapeltown, Leeds has been refurbished thanks to grants now totalling over £185k, including £10k from Leeds City Council and a rare £20k "Last Chance Churches" match funding grant initiative run by the National Churches Trust.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

4. .Maintenance of Property

The Curia also makes appropriate applications, on behalf of Parishes, to the Listed Places of Worship (LPW) Grant Scheme. This Scheme provides grants to cover the VAT incurred in making repairs to listed buildings in use as places of worship and totalled £182k in the year ended 31 March 2024.

In its collaboration with Parishes and Schools, the Curia is supported by a dedicated team of external property professionals, including experienced Architects and Chartered Surveyors. This support ensures that refurbishments, maintenance, and repairs take full account of all statutory building and Health and Safety regulations, the historic architecture of the buildings and the accessibility needs of parishioners and pupils with disabilities.

SUSTAINABILITY AND NET CARBON ZERO

During the year a Diocesan Sustainability Management Group was established. Chaired by Rev Mgr A Summersgill (a Vicar General), the Group consists of members of the Diocese's Justice and Peace Commission and Curia Officers. The Group reports to the Trustee on the implementation of the Trustee's "Living "Laudato Si', Statement of Intent". The Group meets quarterly to develop a sustainability programme for the Diocese in the medium term.

The Diocesan Director of Communications is developing sustainability partnerships with Leeds Trinity University's Director of Sustainability. A University final year student is working with the Diocesan Property Administrator to calculate a baseline for the Diocese's Carbon Footprint for all churches, presbyteries and pastoral buildings. This baseline is a key component in the setting of a Diocese Carbon Net Zero Target date.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW

The table below summarises the financial activities of the Parishes and Curia during the year ended 31 March 2024.

	2024	2023
	£'000	£'000
Parishes		
Income	**8,616**	7,624
Expenditure	**(8,069)**	(7,428)
	547	196
Diocesan Assessment	**(1,029)**	(728)
Transfers	**(61)**	(171)
Deficit	**(543)**	(703)
Net (Losses)/Gains on the Sale and Impairment of Assets	**(2,004)**	870
(Decrease)/Increase in Reserves	**(2,547)**	167
Curia		
Income	**4,456**	4,438
Diocesan Assessment	**1,029**	728
Transfers	**61**	171
Expenditure	**(6,371)**	(5,345)
Deficit	**(825)**	(8)
Net Gains/(Losses) on the Sale and Revaluation of Assets	**876**	(1,198)
Increase/(Decrease) in Reserves	**51**	(1,206)
Total Group Decrease in Reserves	**(2,496)**	(1,039)

Details of the income and expenditure are disclosed in the Consolidated Statements of Financial Activities on pages 29 and 30.

The Diocese continues to comply with current statutory requirements and its governing documents.

The total income for the Diocese in the year was £13,072k (2023: £12,062k) an increase of 8 per cent (2023: decrease of 2 per cent) compared with the prior year. The largest individual component of income is from Offertories amounting to £4,293k (2023: £4,032k), an increase of 6 per cent (2023: an increase of 7 per cent) compared with the prior year. Income from Donations, Gifts and Legacies, which is less predictable, was £1,007k in the year compared to £674k in the prior year.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

The total expenditure in the year was £14,440k (2023: £12,773k) an increase of £1,667k compared with the prior year. This includes £389k increase in employment costs, £261k increase in property repair and maintenance, £240k increase in gas and electricity expenditure and £103k increase in business rates on qualifying Investment Properties. The Total Cost of Raising Funds is analysed in Note 5 to the Financial Statements and Charitable Expenditure is analysed in Note 6 to the Financial Statements. Expenditure continues to be tightly managed and remains focussed on delivering the Diocese's Charitable Objectives.

The operational deficit in the year was £1,368k (2023: deficit £711k) and Net Resources decreased in the year by £2,496k (2023: a decrease of £1,039k).

As disclosed in Note 1 to the Financial Statements (Accounting Policies 1.12), occupied school properties are valued at £Nil (2023: £Nil) as the Directors consider these properties to be inalienable.

At 31 March 2024, the Diocese reported a net cash position of £1,610k (2023: £2,958k). The Consolidated Cash Flow Statement on page 32 reports a net decrease in cash and cash equivalents of £1,348k (2023: decrease of £638k), a net cash outflow from Operating Activities of £1,684k (2023: inflow £185k) and net cash inflow from Investing Activities £336k (2023: outflow £823k). As disclosed in Note 16 to the Financial Statements £2,765k (2023: £4,051k) of cash balances are held in respect of the School Building Programme.

Investment Policy and Performance

The Trust Deed authorises the Trustee to make and hold investments using the general funds of the Diocese. The Diocese's funds are managed in one general fund (Main Fund) and four specific funds (Priests Retirement Fund, Batley Carr Cockrem Fund, Episcopal Mensa Fund and Music Fund). The Diocese operates an ethical investment policy and has agreed an ethical investment strategy with its Investment Managers. The Investment Managers oversee the funds and their portfolio of investments on a discretionary basis within these guidelines. The Investment Managers provide quarterly reports and meet with the FSC annually to review fund performance and to consider the investment outlook.

The market value of investments reported in the Financial Statements at 31 March 2024 was £13,454k (2023: £14,024k). The movements are analysed in Note 14 to the Financial Statements. The main components comprise investment income generated of £328k (2023: £333k), cash withdrawn of £1,700k (2023: £Nil) and profits arising on the sale of investments of £496k (2023: £259k). The unrealised gain on revaluation of £380k (2023: loss £1,539k) reflects the return to relative market stability following the volatilities in the prior year due to the Russian invasion of Ukraine and the associated global supply and inflationary pressures. At the date of signing this report the Market Value of investments has been maintained compared with 31 March 2024.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Investment Policy and Performance (continued)

The Diocese holds a portfolio of investment properties that are no longer required for meeting its principal Charitable Objectives and are either held to generate a long-term rental income or in view of long-term sale.

Reserves Policy

The Total Funds of the Diocese at 31 March 2024 were £54,543k (2023: £57,039k) of which £36,904k (2023: £39,451k) relates to Parishes and £17,639k (2023: £17,588k) relates to the Curia and the subsidiary undertaking.

The Reserves Policy of the Diocese is to hold a value equivalent to at least three months of Total Operating Expenditure which is equivalent to £3,610k for the year ended 31 March 2024 (2023: £3,193k) as Free Reserves. Free Reserves are defined as Unrestricted Funds (including Parish Designated Funds) less Tangible Fixed Assets. Funds invested in Tangible Fixed Assets are excluded from Free Reserves as these funds cannot be released without undermining the Diocese's ability to fulfil its principal Charitable Objectives. At 31 March 2024, Free Reserves were £12,303k (2023: £16,913k) and represented ten months (2023: sixteen months) of Total Operating Expenditure. The Directors consider that this level of Free Reserves is reasonable, especially at the present time, to enable the Diocese to fulfil its immediate financial obligations and commitments and to plan for future investment requirements. This includes the training of Seminarians, Priests and Permanent Deacons, the welfare needs of retired Priests and the maintenance of the Diocese's Places of Worship.

Total Funds includes £1,030k (2023: £1,025k) in Permanent Endowment Funds and £8,641k (2023: £8,451k) in Restricted Funds. The allocation of Permanent Endowment Funds and Restricted Funds is determined by the wishes of the donors and are disclosed respectively in Notes 19(a) and 19(b) to the Financial Statements. Unrestricted Funds of £44,872k (2023: £47,563k) comprise Designated Funds in Parishes of £35,968k (2023: £38,215k) and General Funds in the Curia of £8,904k (2023: £9,348k). Designated Funds in Parishes ensure the financial sustainability of each Parish.

Subsidiary Trading Company

The Diocese holds an investment in a wholly owned trading subsidiary, Hinsley Properties Limited. The Directors of this subsidiary company are appointed from the Directors of the Trustee. Hinsley Properties Limited was formed to manage the Diocesan Pastoral Centre at Hinsley Hall and an investment property, Cathedral Chambers. The Diocesan Pastoral Centre is also used by the wider national Catholic community. As disclosed in Note 14(b) to the Financial Statements, during the year the company generated a turnover of £974k (2023: £911k) and reported an operating loss of £293k (2023: loss £304k). The retained loss for the year of £293k (2023: £304k) has been taken to the consolidated unrestricted reserves.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Risk Management

The Trustee considers and assesses the major risks to which the Diocese is exposed by a quarterly review of its Risk Register. This includes strategic, financial, operational, and reputational risks. The Trustee implements policies and procedures in order to mitigate or minimise these risks and monitors the effectiveness of its risk management processes.

Financial Strategy

The current Financial Strategy provides the Charity with the financial flexibility it requires to deliver its Charitable Objectives. The Charity's working capital enables Parishes, Curia Departments and Diocesan Agencies to operate efficiently. The Strategy includes the efficient management of the Charity's financial assets by maximising the income and capital growth of these financial assets in line with the Charity's ethical investment policy and minimising interest costs through the management of its cash position.

The Directors carried out an eighteen-month cash flow forecast which included Stress Testing the cash income of the Charity. The Directors are satisfied that the Charity has sufficient flexibility within its financial assets and its existing bank facilities to enable it to continue to deliver its Charitable Objectives.

Approved by the Trustee on 26 June 2024 and signed on its behalf by:

Rt Rev M Stock
Bishop of Leeds
Director

TRUSTEE'S RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors of the Trustee are responsible for preparing the Trustee's Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis, unless it is inappropriate to presume that the Charitable Group will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the Financial Statements comply with the Charities Act 2011 and applicable accounting regulations. It is also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST

Opinion

We have audited the financial statements of the Leeds Diocesan Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and 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).

In our opinion the Financial Statements:

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the 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 Trustee with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Other Information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters 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 Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; 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 the Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 23, the Trustee is 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 Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the group and the 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 Trustee either intends to liquidate the group or the parent charity or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Auditor's responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustee, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with the Trustee and updating our understanding of the sector in which the group and parent charity operate.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Auditor's responsibilities for the Audit of the Financial Statements (continued)

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Use of our report

This report is made solely to the parent charity's Trustee, 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 parent charity Trustee 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 parent charity and the parent charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Saffery LLP
Chartered Accountants and Statutory Auditors
Mitre House
North Park Road
Harrogate
HG1 5RX

27 June 2024

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 2024

		Parishes			Curia and Subsidiary				Group
	Note	Designated Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000	Total Funds £'000
Income and Endowments from:									
Donations, Legacies and Grants	2	6,066	1,550	7,616	236	1,502	5	1,743	9,359
Charitable Activities	3	98	-	98	1,058	-	-	1,058	1,156
Trading Activities		893	-	893	1,021	-	-	1,021	1,914
Investment Income	4	-	9	9	474	125	35	634	643
Total Operating Income		**7,057**	**1,559**	**8,616**	**2,789**	**1,627**	**40**	**4,456**	**13,072**
Expenditure on:									
Total Cost of Raising Funds	5	-	-	-	1,304	-	-	1,304	1,304
Charitable Expenditure	6	7,376	693	8,069	3,523	1,509	35	5,067	13,136
Total Operating Expenditure		**7,376**	**693**	**8,069**	**4,827**	**1,509**	**35**	**6,371**	**14,440**
		(319)	**866**	**547**	**(2,038)**	**118**	**5**	**(1,915)**	**(1,368)**
Gross Transfer between Funds		105	(1,195)	(1,090)	1,029	61	-	1,090	-
Net Operating (Expenditure)/Income		**(214)**	**(329)**	**(543)**	**(1,009)**	**179**	**5**	**(825)**	**(1,368)**
Net Gains on Investment Assets		-	29	29	536	311	-	847	876
Net Gains on the Sale of Investment Properties		35	-	35	29	-	-	29	64
Net (Expenditure)/Income		**(179)**	**(300)**	**(479)**	**(444)**	**490**	**5**	**51**	**(428)**
Net Loss on Investment Property Valuation		(2,068)	-	(2,068)	-	-	-	-	(2,068)
Net Movement in Funds	11	**(2,247)**	**(300)**	**(2,547)**	**(444)**	**490**	**5**	**51**	**(2,496)**
Reconciliation of Funds:									
Total Funds brought forward		38,215	1,236	39,451	9,348	7,215	1,025	17,588	57,039
Total Funds carried forward		**35,968**	**936**	**36,904**	**8,904**	**7,705**	**1,030**	**17,639**	**54,543**

All activities are from continuing operations. The Notes from page 33 to 59 form part of these Financial Statements. There were no recognised gains or losses for the year ended 31 March 2024 other than those included in the Consolidated Statement of Financial Activities. The results of Hinsley Properties Limited are included in Curia Unrestricted Funds.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 2023

		Parishes			Curia and Subsidiary				Group
	Note	Designated Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000	Total Funds £'000
Income and Endowments from:									
Donations, Legacies and Grants	2	5,439	1,203	6,642	199	1,125	2	1,326	7,968
Charitable Activities	3	76	-	76	837	-	-	837	913
Trading Activities		898	-	898	980	-	-	980	1,878
Investment Income	4	-	8	8	529	137	29	695	703
Other Income		-	-	-	600	-	-	600	600
Total Operating Income		**6,413**	**1,211**	**7,624**	**3,145**	**1,262**	**31**	**4,438**	**12,062**
Expenditure on:									
Total Cost of Raising Funds	5	-	-	-	1,246	-	-	1,246	1,246
Charitable Expenditure	6	6,846	582	7,428	2,625	1,445	29	4,099	11,527
Total Operating Expenditure		**6,846**	**582**	**7,428**	**3,871**	**1,445**	**29**	**5,345**	**12,773**
		(433)	**629**	**196**	**(726)**	**(183)**	**2**	**(907)**	**(711)**
Gross Transfer between Funds		(728)	(171)	(899)	932	(33)	-	899	-
Net Operating (Expenditure)/Income		**(1,161)**	**458**	**(703)**	**206**	**(216)**	**2**	**(8)**	**(711)**
Net Losses on Investment Assets		-	(26)	(26)	(903)	(351)	-	(1,254)	(1,280)
Net Gains on the Sale of Investment Properties		428	-	428	-	-	-	-	428
Net (Expenditure)/Income		**(733)**	**432**	**(301)**	**(697)**	**(567)**	**2**	**(1,262)**	**(1,563)**
Revaluation of Investment Properties		468	-	468	56	-	-	56	524
Net Movement in Funds	11	**(265)**	**432**	**167**	**(641)**	**(567)**	**2**	**(1,206)**	**(1,039)**
Reconciliation of Funds:									
Total Funds brought forward		38,480	804	39,284	9,989	7,782	1,023	18,794	58,078
Total Funds carried forward		**38,215**	**1,236**	**39,451**	**9,348**	**7,215**	**1,025**	**17,588**	**57,039**

All activities are from continuing operations. The Notes from page 33 to 59 form part of these Financial Statements. There were no recognised gains or losses for the year ended 31 March 2023 other than those included in the Consolidated Statement of Financial Activities. The results of Hinsley Properties Limited are included in Curia Unrestricted Funds.

CONSOLIDATED BALANCE SHEET AND CHARITY BALANCE SHEET

	Note	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Fixed Assets					
Tangible Assets	12	**32,569**	30,650	**31,384**	29,415
Investment Properties	13	**9,515**	12,474	**8,315**	11,274
Investments	14	**13,454**	14,024	**15,021**	15,884
Total Fixed Assets		**55,538**	57,148	**54,720**	56,573
Current Assets					
Inventories		**10**	8	**-**	-
Debtors	15	**1,294**	1,604	**2,015**	2,123
Cash at Bank and in Hand		**1,610**	2,958	**1,574**	2,930
Total Current Assets		**2,914**	4,570	**3,589**	5,053
Current Liabilities					
Creditors and Accrued Expenses	16	**(3,909)**	(4,679)	**(3,766)**	(4,587)
Creditors: Amounts falling due within one year		**(3,909)**	(4,679)	**(3,766)**	(4,587)
Net Current (Liabilities)/Assets		**(995)**	(109)	**(177)**	466
Total Assets less Current (Liabilities)/Assets		**54,543**	57,039	**54,543**	57,039
Total Net Assets		**54,543**	57,039	**54,543**	57,039
The Funds of the Charity:					
Unrestricted Funds					
- Designated Funds	19	**35,968**	38,215	**35,968**	38,215
- General Funds	19	**8,904**	9,348	**8,904**	9,348
Restricted Funds	19	**8,641**	8,451	**8,641**	8,451
Permanent Endowments	19	**1,030**	1,025	**1,030**	1,025
Total Charity Funds		**54,543**	57,039	**54,543**	57,039

The Notes from page 33 to 59 form part of these Financial Statements.

These Financial Statements were approved and authorised by the Directors on 26 June 2024 and signed on their behalf by:

+ Marcus Stock

Rt Rev M Stock
Bishop of Leeds
Director

CONSOLIDATED CASH FLOW STATEMENT

	2024	2023
	£'000	£'000
Cash Flows from Operating Activities		
Net Movement in Funds	**(2,496)**	(1,039)
Adjusted for:		
Deprecation Charges	**715**	695
Impairment/(Revaluation) of Investment Properties	**2,068**	(524)
Gains on Disposal of Investment Properties	**(64)**	(428)
Net (Gains)/Losses on Investments	**(876)**	1,280
Investment Income	**(643)**	(703)
Decrease in Debtors	**310**	1,133
Decrease in Creditors	**(770)**	(305)
Increase in Inventories	**(2)**	-
Other non cash Expenditure	**74**	76
Net Cash (used in)/provided by Operating Activities	**(1,684)**	185
Cash Flows from Investing Activities		
Proceeds from the Disposal of Fixed Asset Investments	**1,700**	-
Investment Properties Income	**315**	370
Proceeds from the Sale of Investment Properties	**955**	428
Payments to Acquire Tangible Fixed Assets	**(2,634)**	(1,621)
Net Cash provided by/(used in) Investing Activities	**336**	(823)
Net Decrease in Cash and Cash Equivalents	**(1,348)**	(638)
Cash and Cash Equivalents at the beginning of year	**2,958**	3,596
Cash and Cash Equivalents at the end of year	**1,610**	2,958

ANALYSIS OF NET CASH

	2024	**Movement**	2023	Movement	2022
	£'000	**£'000**	£'000	£'000	£'000
Cash at Bank and in Hand	**1,610**	**(1,348)**	2,958	(638)	3,596

The Notes from pages 33 to 59 form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

ACCOUNTING POLICIES

1.1 Basis of Accounting

These Financial Statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain fixed assets and include the results of the Charity and its subsidiary's operations which are described in the Trustee's Report.

The Financial Statements are prepared in Sterling (GBP) which is the functional currency of the entity. Monetary amounts in these Financial Statements are rounded to the nearest thousand pounds (£'000). 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 United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice. The Charity is a public benefit entity for the purposes of FRS 102.

1.2 Going Concern

The Directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charitable Group to continue as a going concern and to meet its net current liabilities. The Directors have made this assessment for a period of at least twelve months from the date of approval of the Financial Statements. In particular the Directors have considered the Group's forecasts and projections and have taken account of pressures on offertory, donation and investment income. After making enquiries the Directors have concluded that there is a reasonable expectation that the Group has adequate resources when taking into account the headroom provided by Investments held, to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its Financial Statements.

1.3 Basis of Consolidation

The Statement of Financial Activities, Balance Sheet and Cash Flow consolidate the Financial Statements of the Charity, comprising the Parishes and Curia, together with a subsidiary undertaking, Hinsley Properties Limited.

1.4 Income

Income, including grants, is included in the Statement of Financial Activities on the basis of the amounts receivable for the year. Income from trading activities is included in the period that the Charity is entitled to the receipt.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.4 Income (continued)

In Parishes, the majority of income is received from voluntary donations and legacies. Legacies are recognised following probate and once there is sufficient evidence that the receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, the details are disclosed as a contingent asset, if material, until the criteria for income recognition are met.

Curial income includes income from services carried out at the Diocesan Pastoral Centre, Hinsley Hall, income from Investment Properties and other Investments.

Gifts of fixed assets are included at valuation and the equivalent value is recorded as donations. If a gifted asset is under construction, then its value is recorded on completion.

1.5 Expenditure

Expenditure is included in the Statement of Financial Activities on the basis of the amounts payable for goods and services provided in the year.

Charitable expenditure consists of all expenditure directly relating to the objectives of the Diocese. Certain central costs, which cannot be directly apportioned, are allocated in proportion to the direct costs of the aims of the Charity.

The Diocese does not incur direct costs in its voluntary fundraising activities. The Diocese receives substantial voluntary help in its work.

Investment management fees, interest costs, the cost of sales and administrative costs of the subsidiary company are included in the cost of raising funds.

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure includes VAT where it cannot be fully recovered and is reported as part of the expenditure to which it relates.

Governance costs are those incurred in connection with the audit of the Charity and its compliance with constitutional and statutory requirements, including legal fees.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.6 Commitments

Commitments made by the Trustee that are legally binding have been accrued. Those that are not legally binding have not been charged in the Financial Statements but have been disclosed in the Notes to the Financial Statements.

1.7 Grants Payable

Discretionary grants are paid as a contribution to the running costs of organisations whose objectives are consistent with those of the Charity. Grants are paid on an ad–hoc basis and payment in one financial year does not imply continued support in future financial years. Liabilities relating to grants payable are recognised once the Charity is irrevocably committed to the provision of the grant.

1.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted mid-market price. Realised and unrealised gains and losses on Investments are reported in the Statement of Financial Activities. Investment income plus any associated tax recoverable is credited to income on an accruals basis.

Investments in subsidiaries are accounted for at cost less impairment in the individual Financial Statements.

1.9 Investment Properties

Investment property, which is property held to earn rentals and capital appreciation, is measured using the fair value model as at the Balance Sheet date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.10 Taxation

The Trustee considers that the Charity is exempt from taxation and therefore no provision has been made for it. There is no taxation charge arising for the year within Hinsley Properties Limited.

1.11 Pension Scheme

The Charity makes defined contributions to a Group Personal Pension Scheme for certain employees. Contributions payable for the year are charged in the Statement of Financial Activities. Contributions are also paid for eligible employees, to the Teachers' Pension Scheme (England and Wales), and further information on this Scheme is disclosed in Note 9 to the Financial Statements. Contributions payable are charged as charitable expenditure in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.12 Tangible Assets

Parish Property

The value of Parish properties are capitalised in the Financial Statements as follows:

- Properties acquired on or before 31 March 1997 were capitalised at 10 per cent of their insurance value at that date.
- Properties acquired since 31 March 1997 are capitalised at cost.

All Parish buildings are depreciated on a straight-line basis of two per cent per annum.

Curial Freehold Buildings

A review of building valuations is carried out annually, and where required, an appropriate impairment charge is made in the Statement of Financial Activities. Curial freehold buildings are maintained to a high standard and depreciation is not provided for as, in the Trustee's opinion, the residual value is equal to the carrying value in the Financial Statements.

Freehold Property Improvements

Improvements to freehold properties are capitalised at cost and depreciated on a straight-line basis of two per cent per annum.

Impairment reviews are undertaken on an annual basis.

Fixtures, Fittings and Equipment

Fixtures, fittings and equipment are stated at cost less depreciation. Depreciation is calculated by the straight-line method to write off the cost or value, less anticipated residual value, over the expected useful lives of the assets. Assets have an expected useful life of between three years and ten years.

Impairment reviews are undertaken on an annual basis.

School Property

Certain school properties are owned by the Diocese and are occupied and run by independent charities in the form of Voluntary Aided (maintained) schools and CMATs. There are significant legal restrictions on the disposal of these properties under education legislation. The Trustee considers the ownership of these assets to be in the nature of custodianship and they are, therefore, not capitalised in the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.13 Properties Held for Resale

Parish and Curia properties no longer used by the Diocese in pursuing its charitable aims, and whose sale is expected to complete within twelve months of the Balance Sheet date, are reported as Properties Held for Sale within Current Assets on the face of the Balance Sheet and are included at their estimated realisable value.

1.14 Schools Building Programme

The Diocese acts as agent on behalf of School Governors. Grants received, and contributions through the Voluntary Contributions Scheme (VCS), are netted off against total costs so that only the residual cost is included in the Financial Statements. As an agent, the Diocese is bound by agreement with each individual school and, therefore, has no discretion over the use of these funds. These agency funds are carried forward within cash and creditors in the Balance Sheet.

1.15 Inventories

Inventories consist of purchased goods for resale and are valued at the lower of cost and net realisable value.

1.16 Fund Accounting

General Funds are Unrestricted Funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Parishes in the Diocese are established and operate under Canon Law, which gives each Parish a distinct status within the Church. Unrestricted Parish Funds are reported as Designated Funds in the Financial Statements, to reflect the relative autonomy given to the Parish Priest under Canon Law.

Restricted Funds are funds that are used in accordance with specific instructions made by donors, or which have been raised by the Diocese for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each Restricted Fund is set out in the Note 19(b) to the Financial Statements.

The capital of Permanent Endowment Funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the Diocese, according to the terms of the original gift.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.17 Financial Instruments

Basic financial instruments are measured at amortised cost. The Group has no other financial instruments or basic financial instruments measured at fair value.

1.18 Critical Accounting Estimates

In preparing financial statements, it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in those financial statements. The following judgements and estimates are considered by the Trustee to have the most significant effect on amounts recognised in the Financial Statements.

Useful Economic Life: the annual depreciation charge for buildings, fixtures, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and are amended where necessary to reflect current circumstances.

Investment Properties are valued on the basis of market value every five years. In the intervening years, a review of Investment Properties' fair value is carried out annually and an appropriate revaluation credit or impairment charge is made in the Statement of Financial Activities.

The valuation of debtors at the Balance Sheet date includes estimates for deferred income with respect to Legacies, Grants, and Gift Aid Tax Recoverable.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. DONATIONS, LEGACIES AND GRANTS

	2024							
	Parishes			Curia				Group
	Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Offertories	4,277	-	4,277	16	-	-	16	4,293
Donations and Gifts	171	-	171	160	75	1	236	407
Votives	226	-	226	-	-	-	-	226
Legacies	583	-	583	17	-	-	17	600
Gift Aid Tax Refunds	736	-	736	43	4	4	51	787
Parish Projects	-	399	399	-	-	-	-	399
Parish Second Collections	-	172	172	-	-	-	-	172
Diocesan Second Collections	-	98	98	-	-	-	-	98
National Second Collections	-	159	159	-	-	-	-	159
Grants	-	722	722	-	1,423	-	1,423	2,145
Other	73	-	73	-	-	-	-	73
Total	6,066	1,550	7,616	236	1,502	5	1,743	9,359

	2023							
	Parishes			Curia				Group
	Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Offertories	4,015	-	4,015	-	17	-	17	4,032
Donations and Gifts	168	-	168	97	31	2	130	298
Votives	193	-	193	-	-	-	-	193
Legacies	297	-	297	54	25	-	79	376
Gift Aid Tax Refunds	726	-	726	48	-	-	48	774
Parish Projects	-	163	163	-	-	-	-	163
Parish Second Collections	-	131	131	-	-	-	-	131
Diocesan Second Collections	-	109	109	-	-	-	-	109
National Second Collections	-	196	196	-	-	-	-	196
Grants	-	604	604	-	1,052	-	1,052	1,656
Other	40	-	40	-	-	-	-	40
Total	5,439	1,203	6,642	199	1,125	2	1,326	7,968

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. INCOME FROM CHARITABLE ACTIVITIES

Income from charitable activities consists of:

	2024	2023
	£'000	£'000
School Contribution Scheme	**314**	278
Music Contribution Scheme	**206**	149
Youth Pilgrimages	**141**	19
Conference Fees	**26**	5
Cemetery Fees	**291**	320
Other	**178**	142
Total	**1,156**	913

4. INVESTMENT INCOME

	2024			
	Unrestricted Funds	**Restricted Funds**	**Permanent Endowment Funds**	**Total Funds**
	£'000	**£'000**	**£'000**	**£'000**
Income arising from:				
Investment Properties	**309**	**6**	**-**	**315**
Listed Investments	**165**	**128**	**35**	**328**
Total	**474**	**134**	**35**	**643**

	2023			
	Unrestricted Fund	Restricted Fund	Permanent Endowment Fund	Total Funds
	£'000	£'000	£'000	£'000
Income arising from:				
Investment Properties	365	5	-	370
Listed Investments	164	140	29	333
Total	529	145	29	703

5. TOTAL COST OF RAISING FUNDS

The total cost of raising funds consists of:

	2024	2023
	£'000	£'000
Interest Payable	**10**	-
Investment Management Fees	**77**	82
Hinsley Properties Limited Expenditure	**1,217**	1,164
Total	**1,304**	1,246

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. CHARITABLE EXPENDITURE

		2024 Aims of the Charity				
		Advancement of Catholic Religion	**Promotion of Catholic Teaching**	**Care of Priests**	**Maintenance of Properties**	**Total**
		£'000	**£'000**	**£'000**	**£'000**	**£'000**
Parishes	Grants Payable	**75**	**-**	**-**	**-**	**75**
	Other Direct Costs	**1,194**	**55**	**1,767**	**3,956**	**6,972**
	Support Costs	**184**	**8**	**256**	**574**	**1,022**
	Total	**1,453**	**63**	**2,023**	**4,530**	**8,069**
Curia	Grants Payable	**124**	**343**	**348**	**-**	**815**
	Other Direct Costs	**397**	**1,703**	**453**	**615**	**3,168**
	Support Costs	**142**	**557**	**218**	**167**	**1,084**
	Total	**663**	**2,603**	**1,019**	**782**	**5,067**
Total	Grants Payable	**199**	**343**	**348**	**-**	**890**
	Other Direct Costs	**1,591**	**1,758**	**2,220**	**4,571**	**10,140**
	Support Costs	**326**	**565**	**474**	**741**	**2,106**
	Total	**2,116**	**2,666**	**3,042**	**5,312**	**13,136**

		2023 Aims of the Charity				
		Advancement of Catholic Religion	Promotion of Catholic Teaching	Care of Priests	Maintenance of Properties	Total
		£'000	£'000	£'000	£'000	£'000
Parishes	Grants Payable	49	-	-	-	49
	Other Direct Costs	1,144	47	1,541	3,718	6,450
	Support Costs	170	7	220	532	929
	Total	1,363	54	1,761	4,250	7,428
Curia	Grants Payable	90	283	312	-	685
	Other Direct Costs	335	1,185	380	383	2,283
	Support Costs	162	560	263	146	1,131
	Total	587	2,028	955	529	4,099
Total	Grants Payable	139	283	312	-	734
	Other Direct Costs	1,479	1,232	1,921	4,101	8,733
	Support Costs	332	567	483	678	2,060
	Total	1,950	2,082	2,716	4,779	11,527

Support Costs have been apportioned across the four aims of the Charity by pro-rating those costs to the grants payable and other direct costs of the individual aims. Included in Support Costs are Governance Costs of £24k (2023: £22k).

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. ANALYSIS OF GRANTS PAYABLE

	2024 Grants to			2023
	Institutions	**Individuals**	**Total**	Total
	£'000	**£'000**	**£'000**	£'000
National Schools Singing Programme Participants	**310**	**-**	**310**	250
Catholic Trust for England and Wales	**97**	**-**	**97**	61
Catholic Education Service	**33**	**-**	**33**	33
Priests' Retirement Grants	**-**	**332**	**332**	286
Seminarian Grants	**-**	**17**	**17**	25
Peru Mission	**26**	**-**	**26**	30
Local Organisations	**75**	**-**	**75**	49
	541	**349**	**890**	734

Grants paid to institutions are paid as a contribution to the running costs of charities with objectives similar to those of the Leeds Diocesan Trust.

Participants of the National Schools Singing Programme consist of Catholic Dioceses throughout the United Kingdom, a Catholic College and some Anglican Cathedrals.

There were 39 (2023: 38) grants given for the benefit of retired Priests amounting to £332k (2023: £286k).

8. CLERGY COSTS

	Clergy Allowances		
	Parishes	**Curia**	**Total**
	£'000	**£'000**	**£'000**
2024	**877**	**179**	**1,056**
2023	748	179	927

These allowances relate to Clergy in active ministry.

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. EMPLOYMENT COSTS AND NUMBERS

Staff costs comprise the following:

	2024			2023
	Parishes	**Curia**	**Total**	Total
	£'000	**£'000**	**£'000**	£'000
Salaries and Wages	**688**	**2,116**	**2,804**	2,427
Employers' National Insurance	**27**	**199**	**226**	239
Pension Costs	**12**	**169**	**181**	156
Gross Employment Costs	**727**	**2,484**	**3,211**	2,822

Included in Curia Gross Employment Costs are £548k (2023: £505k) in respect of Gross Employment Costs for Hinsley Properties Limited.

During the year payments of £3k (2023: £45k) were paid to two employees (2023: three employees) in relation to redundancy payments.

The number of employees who received a salary in excess of £60,000 per annum was as follows:

	2024	2023
£60,001 to £70,000	**3**	3
£70,001 to £80,000	**2**	-
£80,001 to £90,000	**-**	-
£90,001 to £100,000	**-**	1
£100,001 to £110,000	**1**	-
	6	4

Volunteers

Central to the fulfilment of the Charity's Objectives is the role played by volunteers in ministries in the Parishes. There are more than 1,000 volunteers providing over 13,000 hours of work in governance, administration and property management. It is not practical to place a monetary cost on this work, an indicator based on the Living Wage Foundation hourly rate of £12.00 (2023: £10.90) per hour would suggest a value of at least £156k (2023: £142k) per annum.

Teachers Pension Scheme (TPS)

The Teachers' Pension Scheme (TPS) is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. EMPLOYMENT COSTS AND NUMBERS (continued)

Teachers Pension Scheme (TPS) (continued)

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions. On 27 June 2019 the Supreme Court denied the Government permission to appeal the Court of Appeal's judgement that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The Government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The Government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June 2021 on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses. In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. EMPLOYMENT COSTS AND NUMBERS (continued)

Average Weekly Employment Numbers

The average weekly number of full-time and part-time employees is analysed as follows:

	Total Diocesan Employees		
	Parishes	**Curia**	**Total**
2024	**97**	**68**	**165**
2023	101	73	174

Included in Curia employees are 26 (2023: 26) staff employed by Hinsley Properties Limited.

10. DIRECTORS AND KEY MANAGEMENT PERSONNEL

The Directors do not receive any payments in respect of their Office. Directors who are members of the Clergy receive allowances and expenses for their work in active ministry which are paid by either their Parish for a Parochial role or by the Curia if they have a non-Parochial role. No payments were made to Lay Directors in either the current year or the prior year. No reimbursement of expenses was paid to the Directors of the Trustee in either the current year or the prior year.

The Charity considers that its key management personnel comprise the Directors and Senior Curia Officers. The Directors did not receive any employment benefits in either the current year or the prior year. Senior Curia Officers received total employment benefits in the year of £364k (2023: £321k), including employers' National Insurance Contributions of £32k (2023: £28k) and pension contributions of £18k (2023: £34k).

11. NET MOVEMENT IN FUNDS IN THE YEAR

Movement in net funds in the year is stated after charging:

	2024	2023
	£'000	£'000
Auditor's Remuneration		
- audit services	**23**	21
- other services	**1**	1
Depreciation of Owned Assets	**715**	695
Operating Lease Rentals	**40**	40

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. TANGIBLE ASSETS

Group

	Total Charity			Subsidiary			Total Group		
	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Leasehold Buildings Improvements £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost or valuation									
At 1 April 2023	38,796	2,428	41,224	1,894	428	2,322	40,690	2,856	43,546
Additions	2,603	-	2,603	-	31	31	2,603	31	2,634
At 31 March 2024	**41,399**	**2,428**	**43,827**	**1,894**	**459**	**2,353**	**43,293**	**2,887**	**46,180**
Depreciation and impairments									
At 1 April 2023	10,823	986	11,809	897	190	1,087	11,720	1,176	12,896
Charge for the year	581	53	634	38	43	81	619	96	715
At 31 March 2024	**11,404**	**1,039**	**12,443**	**935**	**233**	**1,168**	**12,339**	**1,272**	**13,611**
Net Book Value 31 March 2024	**29,995**	**1,389**	**31,384**	**959**	**226**	**1,185**	**30,954**	**1,615**	**32,569**
Net Book Value 1 April 2023	27,973	1,442	29,415	997	238	1,235	28,970	1,680	30,650

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. TANGIBLE ASSETS (continued)

Charity

	Parishes			Curia			Total Charity		
	Church Properties £'000	Church Contents £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost or valuation									
At 1 April 2023	29,125	2,383	31,508	9,671	45	9,716	38,796	2,428	41,224
Additions	2,243	-	2,243	360	-	360	2,603	-	2,603
At 31 March 2024	**31,368**	**2,383**	**33,751**	**10,031**	**45**	**10,076**	**41,399**	**2,428**	**43,827**
Depreciation and impairments									
At 1 April 2023	10,105	963	11,068	718	23	741	10,823	986	11,809
Charge for the year	581	48	629	-	5	5	581	53	634
At 31 March 2024	**10,686**	**1,011**	**11,697**	**718**	**28**	**746**	**11,404**	**1,039**	**12,443**
Net Book Value 31 March 2024	**20,682**	**1,372**	**22,054**	**9,313**	**17**	**9,330**	**29,995**	**1,389**	**31,384**
Net Book Value 1 April 2023	19,020	1,420	20,440	8,953	22	8,975	27,973	1,442	29,415

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. INVESTMENT PROPERTIES

	Charity			Subsidiary	Group
	Parishes	Curia	Total	Total	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2023	6,318	4,956	11,274	1,200	12,474
Disposals	(500)	(391)	(891)	-	(891)
Impairments	(2,068)	-	(2,068)	-	(2,068)
At 31 March 2024	**3,750**	**4,565**	**8,315**	**1,200**	**9,515**
Depreciation and impairments					
At 1 April 2023 and 31 March 2024	**-**	**-**	**-**	**-**	**-**
Net Book Value 31 March 2024	**3,750**	**4,565**	**8,315**	**1,200**	**9,515**
Net Book Value 1 April 2023	6,318	4,956	11,274	1,200	12,474

Investment Properties are valued on the basis of market value every five years.

Investment Properties held to generate a rental income are valued on the basis of market value as defined in the RICS Valuation and Appraisal Manual (7th Edition). The last valuations were carried out by Sanderson Weatherall, Chartered Surveyors, Lambert Smith Hampton, Chartered Surveyors and WBW Chartered Surveyors on 31 March 2022 for the Charity's Investment Properties and on 26 February 2021 for the Subsidiary's Investment Property.

Investment Properties earmarked for long term sale on the open market are valued on the basis of market value taking into consideration the advice of external professional Chartered Surveyors and their estimated net realisable value.

In the intervening years, a review of the fair value is undertaken at the Balance Sheet date and the resulting revaluation or impairment recognised in the Statement of Financial Activities.

In the Trustee's opinion, the net book value disclosed in the Balance Sheet reflects its best estimate of the fair value of Investment Properties at 31 March 2024.

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENTS

a) GROUP

Listed Investments

	2024	2023
	£'000	£'000
Movement in Fixed Asset Investments:		
Market value at 1 April	**14,024**	15,047
Investment Income	**328**	333
Net Unrealised Gain/(Loss) on Revaluation	**380**	(1,539)
Net Realised Gains in the Year	**496**	259
Investment Managers' Costs Deducted from Investments	**(74)**	(76)
Withdrawn from Investments	**(1,700)**	-
Market Value at 31 March	**13,454**	14,024
Analysis of Market Value of Investment by Type:		
Equities	**8,580**	9,464
Bonds	**1,959**	2,168
Properties	**248**	294
Alternative Investments	**1,686**	1,598
Cash	**981**	500
Market Value at 31 March	**13,454**	14,024
Analysis of Market Value of Investments between those held within and outside the United Kingdom:		
Within the United Kingdom	**6,717**	6,417
Outside the United Kingdom	**6,737**	7,607
Market Value at 31 March	**13,454**	14,024
Analysis of Market Value by Fund:		
Unrestricted	**6,985**	7,587
Restricted	**5,439**	5,412
Permanent Endowment	**1,030**	1,025
Market Value at 31 March	**13,454**	14,024
Historic Cost of Investments	**10,594**	11,548

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENTS (continued)

b) CHARITY

The investments of the Charity comprise:

	2024	2023
	£'000	£'000
Listed Investments (see Note 14(a) above)	**13,454**	14,024
Investment in Subsidiary Companies	**1,567**	1,860
	15,021	15,884

Investment in Subsidiary Companies
Hinsley Properties Limited (company registration number 2974080)

The Charity owns 100 per cent of the Ordinary share capital of the company. A provision of £293k (2023: £304k) has been made against the investment in this company in the year. The principal activities of the company were the operation of the Diocesan Pastoral Centre at Hinsley Hall, Leeds, and the management of an investment property, Cathedral Chambers.

A summary of the company's audited trading results for the year ended 31 March 2024 is shown below:

	2024	2023
	£'000	£'000
Turnover	**974**	911
Cost of Sales	**(843)**	(807)
Administrative Expenses	**(384)**	(368)
Rent paid to the Parent Undertaking	**(40)**	(40)
Loss for the Financial Year	**(293)**	(304)

A summary of the company's audited Balance Sheet at 31 March 2024 is shown below:

	2024	2023
	£'000	£'000
Fixed Assets	**2,385**	2,435
Net Current Liabilities	**(818)**	(575)
Total Assets	**1,567**	1,860
Called up Share Capital	**1,500**	1,500
Profit and Loss Account	**67**	360
Equity Shareholders' Funds	**1,567**	1,860

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENTS (continued)

b. CHARITY (continued)

Inter-Diocesan Fuel Management Limited (IFM)

The Charity owns 11.1 per cent (2023: 11.1 per cent) of the Ordinary share capital of the company.

IFM was established in 1994 under the Catholic ethos of 'brother helping brother'. IFM, in addition to achieving best pricing through bulk purchase, has sourced its electricity from renewable energy sources (principally hydro-electric and wind power) for over 20 years. Since 2017 it has been committed to sourcing 'green' gas (for example biogas and syngas) and where this has not been possible it has engaged with its suppliers in carbon neutral projects in the United Kingdom and developing countries.

Dormant Company

The trading subsidiary company, Hinsley Properties Limited, owns 100 per cent of the Ordinary share capital of Hinsley Hall Limited.

Hinsley Hall Limited was dormant in both the current and the prior year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. DEBTORS

	2024		
	Charity	**Subsidiary**	**Group**
	£'000	**£'000**	**£'000**
Trade Debtors	**181**	**50**	**231**
Gift Aid Tax Recoverable	**355**	**-**	**355**
Legacies Receivable	**428**	**-**	**428**
Grants Receivable	**121**	**-**	**121**
Other Debtors and Prepayments	**140**	**19**	**159**
Amounts due from/(by) Subsidiary Company	**790**	**(790)**	**-**
	2,015	**(721)**	**1,294**

	2023		
	Charity	Subsidiary	Group
	£'000	£'000	£'000
Trade Debtors	372	38	410
Gift Aid Tax Recoverable	337	-	337
Legacies Receivable	578	-	578
Grants Receivable	89	-	89
Other Debtors and Prepayments	167	23	190
Amounts due from/(by) Subsidiary Company	580	(580)	-
	2,123	(519)	1,604

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024		
	Charity	**Subsidiary**	**Group**
	£'000	**£'000**	**£'000**
Trade Creditors	**2,966**	**51**	**3,017**
Other Tax and Social Security	**56**	**41**	**97**
Accruals and Deferred Income	**520**	**48**	**568**
Other Creditors	**224**	**3**	**227**
	3,766	**143**	**3,909**

	2023		
	Charity	Subsidiary	Group
	£'000	£'000	£'000
Trade Creditors	4,248	35	4,283
Other Tax and Social Security	47	27	74
Accruals and Deferred Income	82	27	109
Other Creditors	210	3	213
	4,587	92	4,679

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

Included in Trade Creditors is £2,765k (2023: £4,051k) in respect of the School Building Programme for which the Diocese acts as agent. The Diocese is bound by agreement with each individual School and, therefore, has no discretion over the use of these funds. As agent, during the year the Diocese received £3,010k (2023: £1,813k) and made payments of £4,296k (2023: £1,750k). Also included in Trade Creditors is £34k (2023: £87k) held on behalf of St Monica's Housing Trust Limited, a registered charity operating in the Diocese for the provision of accommodation for destitute women seeking asylum in the United Kingdom.

17. CAPITAL COMMITMENTS

The Diocese entered into a Private Finance Initiative (PFI) arrangement for the building of a School on 4 June 1999. The Leeds Diocesan Trust is obliged to make a payment of £115k per annum until August 2025. The payment is recognised as a charge to the Statement of Financial Activities in the year in which it is incurred.

In addition, the Diocese had capital commitments of £90k at 31 March 2024 (2023: £1,034k).

18. OPERATING LEASES

At 31 March 2024 the Diocese had the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2024			2023
	Charity	**Subsidiary**	**Group**	Group
	£'000	**£'000**	**£'000**	£'000
Expiry date:				
Within one year	43	46	89	93
Between two and five years	96	173	269	259
	139	219	358	352

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS

a) Analysis of Unrestricted Fund Movements

	For the year ended 31 March 2024					
	At 1 April 2023 £'000	**Income £'000**	**Expenditure £'000**	**Transfer of Funds £'000**	**Investments Losses £'000**	**At 31 March 2024 £'000**
Parishes - Designated Funds	**38,215**	**7,057**	**(7,376)**	**105**	**(2,033)**	**35,968**
Curia - Designated Funds	**2,629**	**-**	**-**	**-**	**-**	**2,629**
Curia - General Funds	**6,719**	**2,789**	**(4,827)**	**1,029**	**565**	**6,275**
Curia - Unrestricted Funds	**9,348**	**2,789**	**(4,827)**	**1,029**	**565**	**8,904**
Total Unrestricted Funds	**47,563**	**9,846**	**(12,203)**	**1,134**	**(1,468)**	**44,872**

	For the year ended 31 March 2023					
	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfer of Funds £'000	Investments Losses £'000	At 31 March 2023 £'000
Parishes - Designated Funds	38,480	6,413	(6,846)	(728)	896	38,215
Curia - Designated Funds	2,629	-	-	-	-	2,629
Curia - General Funds	7,360	3,145	(3,871)	932	(847)	6,719
Curia - Unrestricted Funds	9,989	3,145	(3,871)	932	(847)	9,348
Total Unrestricted Funds	48,469	9,558	(10,717)	204	49	47,563

The transfer of funds from Parishes to the Curia of £1,029k (2023: £728k) is for the annual assessment that is made on Parishes to enable the Diocese to meet its Pastoral and Charitable Objectives and its statutory obligations. The annual assessment is made on each Parish in proportion to its income.

Parishes – Designated Funds, Transfer £105k consists of £1,134k transfer from Parish Restricted Funds offset by a transfer of £1,029k to Curia General Funds.

As disclosed in Note 19(b) of the Financial Statements below, the £1,134k relates to the transfer from Parishes Restricted Funds to Parishes Unrestricted Funds of capitalised Parish building projects which have been financed by restricted fundraising initiatives and Grant funding.

Unrestricted Funds for Parishes are classified as Designated Funds to reflect the autonomy of each Parish given to it under Canon Law.

Curia Unrestricted Funds are allocated to fulfilling the Diocese's Mission and the Diocese's statutory responsibilities. Curia Designated Funds are for future youth evangelisation initiatives.

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS (continued)

b) Analysis of Restricted Fund Movements

For the year ended 31 March 2024

	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfer of Funds £'000	Investments Losses £'000	At 31 March 2024 £'000
Parishes						
Parish Fundraising	**854**	**1,121**	**(325)**	**(1,134)**	**-**	**516**
Second Collections	**-**	**429**	**(368)**	**(61)**	**-**	**-**
Batley Carr Cockrem Fund	**382**	**9**	**-**	**-**	**29**	**420**
Total Parishes	**1,236**	**1,559**	**(693)**	**(1,195)**	**29**	**936**
Curia						
Priests' Retirement Fund	**5,624**	**118**	**(634)**	**18**	**305**	**5,431**
Peru Mission Fund	**107**	**6**	**(26)**	**2**	**-**	**89**
Poor Mission Fund	**181**	**-**	**-**	**10**	**-**	**191**
Episcopal Mensa Fund	**66**	**1**	**-**	**-**	**6**	**73**
Pastoral Development Fund	**32**	**-**	**-**	**-**	**-**	**32**
St Patrick's Mission Church	**327**	**29**	**(17)**	**-**	**-**	**339**
Priests' Training Fund	**36**	**37**	**(53)**	**20**	**-**	**40**
National Schools Singing Programme	**540**	**1,388**	**(726)**	**-**	**-**	**1,202**
Other Funds	**302**	**48**	**(53)**	**11**	**-**	**308**
Total Curia	**7,215**	**1,627**	**(1,509)**	**61**	**311**	**7,705**
Total Restricted Funds	**8,451**	**3,186**	**(2,202)**	**(1,134)**	**340**	**8,641**

For the year ended 31 March 2023

	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfer of Funds £'000	Investments Losses £'000	At 31 March 2023 £'000
Parishes						
Parish Fundraising	404	767	(213)	(104)	-	854
Second Collections	-	436	(369)	(67)	-	-
Batley Carr Cockrem Fund	400	8	-	-	(26)	382
Total Parishes	804	1,211	(582)	(171)	(26)	1,236
Curia						
Priests' Retirement Fund	6,328	136	(507)	18	(351)	5,624
Peru Mission Fund	127	-	(30)	10	-	107
Poor Mission Fund	279	-	-	(98)	-	181
Episcopal Mensa Fund	65	1	-	-	-	66
Pastoral Development Fund	32	-	-	-	-	32
St Patrick's Mission Church	305	40	(18)	-	-	327
Priests' Training Fund	63	28	(73)	18	-	36
National Schools Singing Programme	310	892	(662)	-	-	540
Other Funds	273	165	(155)	19	-	302
Total Curia	7,782	1,262	(1,445)	(33)	(351)	7,215
Total Restricted Funds	8,586	2,473	(2,027)	(204)	(377)	8,451

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS (continued)

b) Analysis of Restricted Fund Movements (continued)

The purposes of the principal funds are detailed below:

Batley Carr Cockrem Fund:	This is a legacy that has been invested for the specific benefit of St Joseph's Parish, Batley Carr.
Priests Retirement Fund:	This fund provides accommodation and allowances for Priests who have retired from active ministry.
Peru Mission Fund:	The Diocese supports the Church's Mission in Peru.
Poor Mission Fund:	This fund provides assistance to less affluent Parishes and Religious Communities within the Diocese.
Episcopal Mensa Fund:	This fund supports the Bishop of Leeds and appeals made at his discretion.
St Patrick's Mission Church:	This is a Mission in the centre of Bradford and is operated jointly with the Franciscan Friars of the Renewal.
Priests Training Fund:	This fund pays for the seminary fees and other costs associated with training men for the Priesthood.
National Schools Singing Programme:	This fund is financed through a grant agreement with the Vinehill Trust. The grant agreement provides funding over eight years for the development of the Schools Singing Programme both in the Diocese and through a collaborative project with other Catholic Dioceses throughout the United Kingdom, a Catholic College and some Anglican Cathedrals.

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS (continued)

c) Analysis of Permanent Endowment Fund Movements

	For the year ended 31 March 2024			
Curia	**At 1 April 2023 £'000**	**Income £'000**	**Expenditure £'000**	**At 31 March 2024 £'000**
Priests' Training Fund	**750**	**27**	**(27)**	**750**
Poor Mission Fund	**82**	**3**	**(3)**	**82**
Leeds Cathedral Music Fund	**152**	**9**	**(4)**	**157**
Mass Intentions Account	**41**	**1**	**(1)**	**41**
Total Endowment Funds	**1,025**	**40**	**(35)**	**1,030**

	For the year ended 31 March 2023			
Curia	At 1 April 2022 £'000	Income £'000	Expenditure £'000	At 31 March 2023 £'000
Priests' Training Fund	750	22	(22)	750
Poor Mission Fund	82	2	(2)	82
Leeds Cathedral Music Fund	150	6	(4)	152
Mass Intentions Account	41	1	(1)	41
Total Endowment Funds	1,023	31	(29)	1,025

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. NET ASSETS

	2024										
	Parishes Funds			Curia Funds				Total Group and Charity Funds			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000
Tangible Fixed Assets	22,054	-	22,054	10,515	-	-	10,515	32,569	-	-	32,569
Investment Properties	3,750	-	3,750	5,765	-	-	5,765	9,515	-	-	9,515
Fixed Asset Investments	-	420	420	6,985	5,019	1,030	13,034	6,985	5,439	1,030	13,454
Bank Balances: (Cash/(Overdrafts))	7,273	516	7,789	(8,865)	2,686	-	(6,179)	(1,592)	3,202	-	1,610
Other Net Current Assets/(Liabilities)	111	-	111	(2,716)	-	-	(2,716)	(2,605)	-	-	(2,605)
Inter Parishes and Curia Loans (net)	2,780	-	2,780	(2,780)	-	-	(2,780)	-	-	-	-
TOTAL NET ASSETS	**35,968**	**936**	**36,904**	**8,904**	**7,705**	**1,030**	**17,639**	**44,872**	**8,641**	**1,030**	**54,543**

	2023										
	Parishes Funds			Curia Funds				Total Group and Charity Funds			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000
Tangible Fixed Assets	20,440	-	20,440	10,210	-	-	10,210	30,650	-	-	30,650
Investment Properties	6,318	-	6,318	6,156	-	-	6,156	12,474	-	-	12,474
Fixed Asset Investments	-	385	385	7,587	5,027	1,025	13,639	7,587	5,412	1,025	14,024
Bank Balances: (Cash/(Overdrafts))	6,270	851	7,121	(6,351)	2,188	-	(4,163)	(81)	3,039	-	2,958
Other Net Current Assets/(Liabilities)	764	-	764	(3,831)	-	-	(3,831)	(3,067)	-	-	(3,067)
Inter Parishes and Curia Loans (net)	4,423	-	4,423	(4,423)	-	-	(4,423)	-	-	-	-
TOTAL NET ASSETS	38,215	1,236	39,451	9,348	7,215	1,025	17,588	47,563	8,451	1,025	57,039

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. RELATED PARTY TRANSACTIONS

The Diocese of Leeds Trustee is also the Trustee of one other registered charity, St John's Catholic School for the Deaf. There were no related party transactions in either the current year or the prior year.

The Rt Rev Marcus Stock (Chair of the Trustee) is also a Trustee of a registered charity, Catholic Care (Diocese of Leeds). The Leeds Diocesan Trust made payments to Catholic Care in the year ended 31 March 2024 of £11k (2023: £11k) for care and other support services for retired Priests.

The Leeds Diocesan Trust operates a wholly owned trading subsidiary, Hinsley Properties Limited. Rev Mgr P Fisher and Rev Mgr A Summersgill are Directors of both the Diocese of Leeds Trustee and Hinsley Properties Limited.

During the year, the Charity received £50k (2023: £50k) in rent and management fees from Hinsley Properties Limited. At 31 March 2024 £790k (2023: £580k) was payable to the Leeds Diocesan Trust by Hinsley Properties Limited.

LEEDS DIOCESAN TRUST

England & Wales - Charity number 249404

Accounts

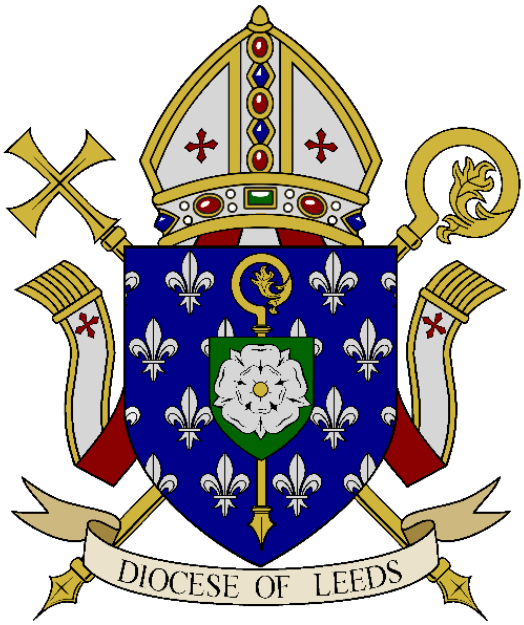
Leeds Diocesan Trust

Registered Charity Number 249404

Report and Consolidated Financial Statements

For the year ended

31 March 2023



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DIRECTORS AND ADVISORS

Trustee

Diocese of Leeds Trustee
(Company registration number 2886244)
Registered Office: Hinsley Hall, 62 Headingley Lane, Leeds, LS6 2BX

Directors of the Trustee

Rt Rev M Stock	(Bishop of Leeds)
Rev Mgr P Fisher	(Vicar General)
Rev Mgr A Summersgill	(Vicar General)
Mr M Gargan	
Mr P Rogerson	
Mr P McDermott	

Registered Office

Hinsley Hall, 62 Headingley Lane, Leeds, LS6 2BX

Company Secretary to the Trustee

Mr J Moran

Auditor

Saffery Champness LLP, Mitre House, North Park Road, Harrogate, HG1 5RX

Banker

HSBC Bank plc, 33 Park Row, Leeds, LS1 1LD

Investment Managers

Investec Wealth & Investment, 100 Wood Street, London, EC2V 7AN
Rathbone Investment Management, 1 Curzon Street, London, W1J 5FB

Solicitors

DLA Piper UK LLP, Princes Exchange, Princes Square, Leeds, LS1 4BY
Hill Dickinson LLP, No 1 St Paul’s Square, Liverpool, L3 9SJ.

REPORT OF THE TRUSTEE

The Trustee presents its Annual Report and the audited Consolidated Financial Statements of the Charity for the year ended 31 March 2023.

CONSTITUTION AND AIMS

The Charity, the Leeds Diocesan Trust ("the Diocese"), is a registered charity with the registration number 249404. The Charity was established in its current form by a Trust Deed dated 20 December 1993. The sole Trustee of the Charity is a trust corporation, the Diocese of Leeds Trustee, company registration number 2886244.

In support of the Mission of the Catholic Church, the principal objectives of the Charity are:

- the advancement of the Catholic Religion;
- the promotion of Catholic Teaching in the Diocese and beyond;
- the provision and care of Priests; and
- the maintenance of Churches, Presbyteries and Schools.

The Trustee confirms that it has complied with the requirements of the Charities Act 2011 Section 17 to have due regard to the public benefit guidance published by the Charity Commission including the guidance "Public benefit: running a charity (PB2)" in determining the activities undertaken by the Charity. Throughout this Annual Report the Trustee seeks to demonstrate that the Charity's principal aims and objectives are for the public benefit.

The Diocese consists of 78 Parishes, in West Yorkshire, North Yorkshire, the East Riding of Yorkshire, Greater Manchester and Lancashire. The Diocese also has 93 Catholic Schools, Academies and Colleges. Leeds Trinity University, a Catholic Foundation University, is also located within the Diocese.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE

The operation of the Charity is overseen by the Trustee. The Directors of the Trustee are appointed by the Bishop of Leeds who is Chair of the Board. There were four Trustee Board meetings during the financial year.

The Trustee Board under Canon Law is the Diocesan Finance Council.

The Bishop of Leeds and the Vicars General are ex-officio Directors of the Board. All other Directors are appointed for a term of three years which may be renewed, subject to performance and review, for an additional two terms of three years each.

Directors are recruited from senior Clergy and suitably qualified and experienced members of the wider Catholic community. On appointment, new Directors are introduced to their role and responsibilities by the Vicars General and the Company Secretary and are issued with copies of the Trust Deed and the latest financial information. Directors attend formal and informal training sessions on a regular basis.

As disclosed in Note 11 to the Financial Statements, Directors do not receive any payments in respect of their Office. No reimbursement of expenses was paid to the Directors of the Trustee in either the current or prior year.

The Trustee Board, as the Diocesan Finance Council, delegates oversight of the Diocese's day-to-day financial, property, investment and administration matters to the Finance Sub-Committee (the "FSC"). The FSC comprises four members: Rev Mgr A Summersgill (Chair and the Moderator of the Curia) and Rev Mgr P Fisher (both of whom are ex-officio Directors), Rev Mgr K Heskin and Mr T Forbes (both of whom are former Directors). The FSC members are supported and advised by the Company Secretary and Curia Officers.

The FSC meets on a monthly basis and advises the Board on property acquisitions and disposals, significant capital projects, property and overhead expenditures. On a quarterly basis, the FSC reviews the Consolidated Financial Statements and Cash Flow projections of the Diocese.

Reflecting Canon Law, this report separates the Charity's activities between Parish and Curia.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Parishes

The Diocese is divided into distinct Parishes. Parish Priests are appointed by the Bishop to exercise pastoral care for the Parish community, which includes representing the Parish in all juridic affairs and ensuring that the Parish is administered in accordance with the norms of Canon Law, in fulfilment of the aims of the Charity.

As encouraged by the "Directory for the Pastoral Ministry of Bishops", the Bishop, in consultation with Priests and the Faithful, reviews the Parish structure on a regular basis to ensure long-term pastoral sustainability. The Bishop undertakes "Parish Visitations" where he personally reviews each Parish on a rolling five-year programme.

Each Parish is required by Canon Law to have a Finance Council to assist the Parish Priest in the administration of the Parish. Parish Finance Councils (often known locally as the Parish Finance Committee) include Parishioners with knowledge and experience in finance, property management and administration.

Curia

The Curia consists of Departments and Agencies to assist the Bishop in the good governance of the Diocese and to collaborate with Parishes in the Mission of the Catholic Church by fulfilling the Charity's principal objectives. The Curia works with Parishes to ensure that statutory obligations are met and to promote best practice in safeguarding, health and safety, data protection and financial management.

The remuneration of Key Management Personnel is disclosed in Note 11 to the Financial Statements. The annual pay award is approved by the Trustee and job roles and remuneration are reviewed periodically.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding

The Trustee is committed to safeguarding children, young people and adults who may be at risk or vulnerable in accordance with both Civil Law and Church policies and best practice.

The Safeguarding Sub-Committee (SSC) is responsible to the Trustee to ensure that the Diocese's safeguarding policies and procedures comply with current legislation and that it achieves best practice as stated in the Catholic Church's National Safeguarding Procedures (these are published at https://www.catholicsafeguarding.org.uk/).

The SSC consists of:

- The Director for Safeguarding (Chair);
- A Vicar General;
- West Yorkshire Police representative;
- Probationary Service representative;
- Safeguarding for Adults representative;
- Safeguarding for Children representative;
- Criminal and Other Legal Specialist.

The SSC works in collaboration with Diocesan Safeguarding Office. Following an allegation, actions undertaken by the Safeguarding Office include:

- consultation with statutory authorities and referral to regulatory bodies;
- temporary withdrawal of the accused from active ministry for members of the Clergy and from all roles within the Diocese for Lay People;
- referral to the Catholic Safeguarding Standards Agency (CSSA);
- liaison with other Dioceses where cases cross borders;
- consistent reporting to the Trustee's SSC;
- liaison and consultation with Parish Priests and safeguarding representatives; and
- notification to the Company Secretary.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding (continued)

Both the SSC and the Safeguarding Office work closely with the Church's national safeguarding body, the CSSA. The CSSA seeks to demonstrate accountability for safeguarding through a National Complaints Policy and nationally led external audit and compliance systems. The Catholic Church in England and Wales is committed to a "One Church" approach, and all Church bodies are required to adhere to 8 national standards:

1. Embed safeguarding in the Church body's leadership, governance, ministry and culture;
2. Communicate the Church's safeguarding message;
3. Engage with and care for those who report having been harmed;
4. Effectively manage all allegations and concerns;
5. Manage and support subjects of allegations and concerns;
6. Implement robust human resource management;
7. Provide access to training and support for safeguarding; and
8. Quality assure compliance to continually improve practice.

Following the relocation of the Safeguarding Officer to Scotland in June 2022, a new Safeguarding Officer has been appointed with effect from May 2023. During the interim period, the Trustee is grateful to the former Safeguarding Officer for the Diocese of Nottingham and to the Safeguarding Officer for the Diocese of Hallam for assuming the responsibilities of this key senior role.

Safeguarding interventions and support services continue to focus on responding to the needs of victims and/or survivors and where necessary taking prompt action to protect children, young people or adults who may be at risk. Online communication methods are well established between Parish volunteers and Curia staff.

The Safeguarding Office works closely with Parishes on the safer recruitment of any adult whose role and responsibilities include contact with children or adults who may be at risk and as part of this safer recruitment it processed 803 (2022: 664) Disclosure and Barring Service (DBS) checks in the year ended 31 March 2023.

The Safeguarding Office provides a training programme that is delivered locally to Clergy and Parish Safeguarding Representatives.

Health and Safety

The Trustee keeps under review its Health and Safety Policy and works with Health and Safety professionals to ensure that its processes and procedures follow best practice.

The day-to-day management of the Diocese's Health and Safety Policy is undertaken by the Curia's Property Department which includes a full-time Health and Safety professional. The Curia's Property Department visits each Parish regularly to ensure that it meets all its Health

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Health and Safety (continued)

and Safety obligations and, in line with Bishop Marcus' Shared Services vision, it provides practical bespoke support to Parish Priests in the management of their property portfolios.

During the year, the Diocese made significant improvements in its management of Statutory Testing requirements and Fire Risk Assessments.

Fundraising

The majority of funding is received from Parishioners principally through the weekly Offertory collection, planned giving (standing orders), special collections and fundraising activities.

Bishop Marcus and the Directors express their sincere thanks and gratitude for the continuing generosity of Parishioners when there are increasing pressures on household budgets.

The Diocese is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice. The Diocese does not employ outside agencies to raise funds. In both the current year and the prior year no complaints were received in respect of fundraising.

Data Protection

The Diocese takes seriously its legal and moral obligations for data protection. The Diocese has a dedicated Data Protection Officer (DPO) who provides guidance and support on data protection to Parishes, Curia Departments and agencies. Information is also available in a dedicated area of the Diocesan Intranet.

During the year ended 31 March 2023 no data breaches were reported to the Information Commissioner's Office (ICO). The ICO considered a complaint from a prior year and did not consider it necessary to take any action against the Diocese.

Internal Financial Reporting and Planning

The Diocese's internal Financial Reporting systems and processes provide assurances to the Trustee, Curia Senior Management, Parish Priests and Parish Finance Committees on the integrity of the financial accounting and governance procedures within Curia Departments and Parishes. Quarterly Consolidated Financial Statements are presented to the Board.

The Charity's Risk Register is reviewed by the FSC on a quarterly basis. The Curia Finance Department works closely with individual Parishes and Curia Departments to mitigate identified risks.

The Curia Finance Department works with Parishes, to develop their local financial strategy and plans, in order that they can both meet their day-to-day operational commitments and plan for larger non-recurring costs which are typically associated with the repairs and maintenance or upgrade of their property portfolios. A key component of this work is identifying grant funding opportunities.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Volunteering

Volunteers play a central role in fulfilling the Mission of the Church in the Diocese (whose roles are a public benefit as articulated in the Charity's principal objectives). Parish volunteers are involved in all aspects of the spiritual, pastoral and social life of their Parish communities. Volunteers serve as Eucharistic Ministers and Catechists, welcomers, altar servers, musicians and cleaners. Within the wider Parish there are volunteers visiting the sick, the housebound and those on the margins of society as well as providing very practical support through operating food banks and delivering Christmas hampers. These ministries are often carried out in conjunction with other Catholic charities such as the Society of St Vincent de Paul (SVP).

Volunteers working in Curia agencies such as the Justice and Peace Commission, Caritas Leeds and St Patrick's Mission provide a vital contribution to supporting the most disadvantaged members of society throughout the Diocese, often engaging with Government and other national agencies and forums. This public benefit work is carried out irrespective of the faith, sexual orientation or ethnic background of those in need.

Volunteers also play a significant role in the governance, financial, and property management of their Parishes. There are more than 1,000 volunteers providing over 13,000 hours of work in these areas. It is not practical to place a monetary cost on this work, an indicator based on the Living Foundation hourly rate of £10.90 per hour would suggest a value of at least £142k per annum.

Parish Safeguarding Representatives work with the Safeguarding Office to ensure that all volunteers are DBS checked to the appropriate standard for the role they are undertaking and that best safeguarding practices are an integral part of carrying out their ministries.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE

A review of the Charity's principal charitable objectives is outlined below. The Charity delivers its principal charitable objectives through its Parishes, Schools and Agencies supported by the Diocesan Curia and the Diocese's Pastoral Centre (which is managed through the Charity's trading subsidiary undertaking, Hinsley Properties Limited).

1. Advancement of the Catholic Religion

The Diocese supports and encourages the promotion of the Catholic Religion at a local, national and international level.

Faith is nurtured and expressed by the Faithful within their Parishes. As well as regular Sunday and weekday Masses, Parishes offer a wide range of formal and informal opportunities for Parishioners and those new to the Church to further, and explore their own faith. Typically, this includes residential retreats, and courses such as RCIA, Alpha in a Catholic Context or the Sycamore Programme. In the year ended 31 March 2023 72 (2022: 59) adults were received into the Church.

Ethnic Chaplaincies complement the work of Parishes and enable members of ethnic communities to worship in their own language. Signed Mases take place on a monthly basis at Leeds Cathedral and Caritas Leeds is involved in dementia friendly initiatives.

Priests, Deacons and Laity are Chaplains in hospitals, hospices and prisons throughout the Diocese.

A Sunday Mass count taken in October 2022 reported an attendance of 18,392 (2022: 14,206), a fall of 26% compared to the last pre-pandemic Sunday Mass count of 24,829 in October 2019.

Leeds Cathedral was host to the relics of St Bernadette of Soubirous, the word of God Mosaic and is an established venue in the annual Light Night event organised by Leeds City Council. These liturgical, cultural, and social events are open to all members of the public enabling them to visit the Cathedral according to their own faith journeys or none.

The Church's rich liturgical traditions are expressed publicly through the annual Civic Palm Sunday Procession, the Lord Mayor's annual Carol Service, the Blessed Sacrament Procession in the grounds of Hinsley Hall and the Batley Torchlight Procession. The Diocese joined in prayer for significant national events: In June 2022, a special Mass to mark the Platinum Jubilee of Queen Elizabeth II and in September 2022 a Solemn Requiem Mass for Queen Elizabeth II was held at Leeds Cathedral. Post year end, in June 2023, Bishop Marcus presided at a Mass to celebrate the Coronation of King Charles III and Queen Camilla.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

1. Advancement of the Catholic Religion (continued)

Annual Diocesan Pilgrimages represent public witness to the Faith. In October 2022, the St Wilfrid's Way Annual Diocesan 'Camino' between Leeds Cathedral and Ripon became the inspiration and model for 'Hearts in Search of God': an online resource of new 'green' walking pilgrimage routes from Cathedrals to Local Shrines across all the Catholic Dioceses of England and Wales.

Parishes are engaged in local initiatives with other charitable organisations whose objectives are compatible with the Charity, many Parishes have CAFOD, SVP and Justice and Peace groups. Financial support to these organisations is provided through local second collections and Parish fundraising events and activities.

Parishes Centres are used by wider members of the communities in which they are based, acting as venue for youth group and other community organisations. Parishes either organise or work with other charities in running food banks, lunch clubs and other wellbeing groups.

Caritas Leeds is a Diocesan umbrella organisation that collegiately co-ordinates the activities of Catholic charities and agencies to put Catholic Social Teaching into practice. It implements this objective through the following forums:

- Criminal Justice Forum;
- Youth Leadership Forum;
- Dementia Friendly Forum;
- Disability Forum; and
- Refugee Support Forum.

Caritas Leeds, working with Parishes and Curia Departments, is committed to supporting refugees. One former presbytery is now home to a Ukrainian refugee family through the government Homes for Ukraine scheme, and a second former presbytery is now used by St Monica's Housing, a small charity in Leeds which provides temporary accommodation for destitute asylum seekers.

St Patrick's Mission is a centre for Catholic renewal based in the City of Bradford. This is a collaboration between the Diocese and the Franciscan Friars of the Renewal that creates a culture of Catholic spiritual renewal and missionary outreach in Bradford's city centre. It provides concrete works of Christian charity to the poor and destitute through the operation of a soup kitchen and clothing bank, as well as providing opportunities to evangelise to those who visit, work, and shop in Bradford's city centre (www.facebook.com/StPioFriary/).

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

1. Advancement of the Catholic Religion (continued)

Parish Second Collections are disclosed as a Restricted Fund in Note 20(b) to the Financial Statements. In the year ended 31 March 2023 436k (2022: £336k) was received to support the work of the Church:

- Internationally (Peter's Pence, World Mission Sunday (Missio);
- Nationally (Stella Maris, Racial Justice, Day for Life, the Catholic Education Service and Catholic Communications);
- and within the Diocese (Poor Mission Fund, Catholic Care, Peru Mission, Retired Clergy Fund, Priest Training Fund, Lourdes Fund, Youth Services and Home Mission Sunday).

Parishes also support the Church's International Outreach work in countries such as Ethiopia, India, Kenya, Pakistan and Zimbabwe.

2. Promotion of Catholic Teaching

The Diocese covers all eight local authorities of West Yorkshire, parts of North Yorkshire, the East Riding of Yorkshire and Lancashire and has 93 Catholic designated Educational Establishments consisting of 79 Primary Schools, 12 High Schools, a Sixth Form College, and a non-maintained residential Special School (St John's Catholic School for the Deaf, a registered charity for which the Trustee is also the Trustee). The Diocese has close partnerships with Leeds Trinity University.

There are five Catholic Multi-Academy Trusts (CMATs) in the Diocese two of which recently celebrated the 10th anniversary of their formation. Each CMAT has an established central team to support schools in school improvement, finance, HR, estates management and governance. Diocesan forums have been established to enable CMATs to support each other and share best practice.

The Bishop's Vision for Education within the Diocese of Leeds has been further realised with all five CMATs being in sustainable and strong positions. Leaders, governors and directors are articulating the benefits of solidarity through effective partnerships and collaboration, working in a more strategic, structured, resilient and accountable way.

At 31 March 2023, 82 per cent of Diocesan Schools had converted from Voluntary-Aided Schools to Academy Status and a member of a CMAT and 88 per cent of all Diocesan Schools are expected to have converted to Academy Status by 31 March 2024.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

Vicariate for Education

The Vicariate for Education is proactive in its collaboration with national and regional statutory bodies including Department for Education, Ofsted, the Regional Director and Local Authorities to promote the highest educational standards throughout our Diocesan Schools.

The Episcopal Vicar for Education recognises the commitment and dedication of our volunteers who support the work of the schools and colleges as Trust Directors and School Governors whose contribution is essential in ensuring that the Mission of proclaiming the Gospel is fulfilled in our Schools. He also recognises the huge and valued commitment of the staff across our educational establishments who continue to give generously in their vocation to our School and Trust communities.

The Vicariate for Education, supported by the national Catholic Education Service, works closely with Schools and Trusts in ensuring that a Catholic ethos runs throughout the character of our Schools and in the provision of a Religious Education (RE) syllabus. During the year the new National Catholic School Inspection Framework was implemented, this will bring further rigour and consistency into Section 48 Inspections throughout all Catholic Dioceses of England and Wales.

The new Religious Education Directory entitled "*To Know You More Clearly"* has been agreed nationally and will be fully implemented in schools by September 2025. Training and development for this Directory for Vicariate staff and subsequently RE and school leaders will be implemented in the coming year.

The Vicariate works with RE Today (a Christian based educational charity) to provide a Continuing Professional Development (CPD) programme for RE teachers in Primary Schools. Training days are supplemented by relevant and effective resource packs with regular opportunities for networking and sharing resources to enable them to develop best practice.

The Youth Team complements the work of our Schools with a programme of well-established events and collaborations throughout the year. 'The Twelve' is the Bishop's Youth Leadership Team. The Twelve, with Caritas Leeds and Leeds Citizens, work on their social action and communication projects.

At a national level, the Youth Team works with the Catholic Youth Ministry Federation (CYMFed). Nearly 200 young people from across the Diocese attended the Flame congress at Wembley Arena in March 2023 and 30 young people from the Diocese are expected to attend the World Youth Day in Lisbon in August 2023.

During the year 46 young people received in Faith in Action awards.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

In July 2022 an inaugural summer camp took place at Savio House. The camp focussed upon the Narnian virtues and also gave opportunities for young adults to volunteer as part of the leadership team. The Vicariate for Education produce resources for families and adult Catechists, to deliver catechesis and outreach. Online resources continue to be developed, a new resource for the Rite of Christian Initiation of Adults (RCIA) programme is anticipated, to be launched early 2024.

The Bishop's Certificate in Catechesis level 1 is now well established, with Catechists now being able to progress to level 2. Three Parishioners were awarded the Loyola Certificate for Parish Ministry. Bishop Marcus commends the Parish Catechists for their dedication to their ministry.

A series of talks "*Life Transfigured: Catholic Faith and the Arts*" took place during 2023. Over a series of evenings at both Hinsley Hall and Wheeler Hall, guest speakers explored how faith and the arts interact through talks and workshops.

Diocese of Leeds Music

The Diocesan Music Department complements the work of the Vicariate for Education in our Catholic Schools and CMATs through its Schools Singing Programme (SSP) and its Keyboard Studies Programme (KSP). Both programmes focus on bringing the sacred scriptures and the Christian faith alive in the hearts of the children and young people who participate and also in those of their families, communities and all who hear and see them.

The Department's strategic impact is measured in terms of evangelisation and inclusion, focussing on the participation of young people in parish life and whole-school acts of worship. Children participate in a variety of liturgical celebrations, concerts, public broadcasts and musical festivals. The Department works with Diocesan Communications, contributing to the Catholic voice with regular articles in the national press, including The Times. During 2022, Leeds Cathedral Choirs and Bradford Catholic Youth Choir were the subject of 4 national BBC television and radio broadcasts, including a BBC Radio 4 Sunday Worship, in partnership with Bradford's Blessed Christopher Wharton CMAT.

Many of the Schools within the Diocese are found within communities which rank amongst the most deprived 10% nationally (Index of Multiple Deprivation (IMD) 2019). Diocese of Leeds Music strives to ensure that the Church's patronage of the arts is available to foster catechesis, individual aspiration and collective flourishing for all.

Schools Singing Programme

The Schools Singing Programme (SSP) exists as a funding collaboration between our schools, Parishes and the Music Department. Established in 2003, this programme now delivers training in liturgical music to almost 6,500 children each week in 70 schools comprising 64 primary schools, 5 secondary schools and Notre Dame Sixth Form College. A generous grant from the

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

Hamish Ogston Foundation (HOF) has enabled significant expansion in recent years, with an additional full-time member of staff joining the Department in September 2022 and 2 more due to join in 2023.

Alongside weekly whole-class singing sessions during the school day, the SSP runs 19 after-school choirs, including boys' and girls' choirs in Bingley, Bradford, Harrogate, Huddersfield, Keighley, Pontefract, Ripon and Wakefield, together with the seven choirs of Leeds Cathedral. The choirs sing at Masses and other liturgies at Leeds Cathedral (8 sung liturgies of Mass and Vespers each week); St Patrick's, Huddersfield; St Joseph's, Bradford; and in other Parishes across the Diocese.

A Partnership with Gabrieli Consort and a collaboration with "The Sixteen", a renowned choral ensemble, provide opportunities to children from diverse backgrounds to sing in public concerts and offers role models for careers in the arts. The Music Department also hosted groups from Vanderbilt University and the University of Texas at El Paso who came to study and work with the SSP.

Keyboard Studies Programme

The Keyboard Studies Programme (KSP) has continued to grow. It now enables around 1,200 children to learn to read music whilst playing the melodica (a low-cost, durable and portable instrument). This provides a pathway to begin lessons on related keyboard instruments; classical accordion, piano and organ. The ongoing bursary support from the Liz and Terry Bramall Foundation ensures that children, irrespective of their own resources, are able to participate in all stages of the KSP. The Director of the KSP, is also Head of Organ Studies at the University of Huddersfield and Organist of Huddersfield Town Hall.

The fifth Leeds International Organ Festival included composer Roxanna Panufnik and recitalists Sara Musumeci, Stefan Donner and Djordje Gajic to complement Department staff and the Cathedral's Organ Scholars.

National Schools Singing Programme

The National Schools Singing Programme (NSSP) (nssp.org.uk), founded and supported by the HOF, continues to develop. This initiative offers seed funding to dioceses throughout the United Kingdom to create their own Singing Programmes modelled on the Diocese of Leeds SSP. Senior members of the Music Department staff work with 26 Catholic Dioceses and Stonyhurst College. In November 2022, the HOF agreed to provide additional seed funding for a pilot to be run in six Anglican Cathedrals.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

Crucial to the long-term success of the NSSP will be increasing the number of skilled Choral Directors available to deliver whole-class singing sessions and run after-school choirs. The HOF has committed to supporting the development of a national apprenticeship standard to widen the talent pipeline and increase the socio-economic diversity of the music sector.

3. Provision and Care of Priests

Central to Parish life is the relationship between the Parish Priest, Assistant Priest and Parishioners. The welfare of Priests is defined in Canon Law. Parishes are responsible for the support of their own Priests. During the year, Parishes paid £657k (2022: £615k) in allowances and offerings, £332k (2022: £302k) in housekeeping costs and £123k (2022: £114k) in travel expenses to Priests.

Key to sustaining the advancement of the Catholic Religion is the promotion and support of vocations to the Priesthood and the Permanent Diaconate.

The Vocations Director engages with men and women discerning vocations to the Priesthood, Religious and Consecrated Life. This is achieved through individual accompaniment, discernment groups and through both the University Chaplaincies and the High Schools in the Diocese. Throughout the year, a monthly hour of adoration took place on the last Wednesday of the month at Hinsley Hall. A similar initiative is now continuing and moving around different deaneries.

The Diocese has four (2022: six) men training for the Priesthood. In the year ended 31 March 2023, the Second Collection for the Priests' Training Fund provided £18k (2022: £15k) towards seminary fees and living allowances of.£115k (2022: £122k).

To support Priests in their ministry, the Directors of Ongoing Spiritual and Pastoral Formation provide a programme of reflection and study consisting of residential and day events and an Annual Presbyteral Conference at Hinsley Hall. The residential conference is important to help nurture fraternal links within the Presbyterate.

A Mentoring Programme for newly ordained Priests provides a consistent approach to a junior Priest's ongoing pastoral development. Priests with greater experience (mentors) are matched with those more recently ordained (mentees).

The work of the Bishop and Priests is supported by men ordained to the Permanent Diaconate. The Diocese currently has 23 Permanent Deacons (2022: 22), (three of whom serve in other Dioceses). There are six candidates in formation. Permanent Deacons are ordained for a ministry of service to the Church through their involvement in the liturgy, teaching and works of charity. The Bishop allocates Permanent Deacons to parishes and deaneries and they may also have specific pastoral responsibilities such as chaplaincy, governance and administrative activities. In the allocation of responsibilities, the Permanent Deacon's family and career responsibilities are given careful consideration.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

3. Provision and Care of Priests (continued)

The formation of Permanent Deacons takes place in collaboration with the Dioceses of the Northern Province, through the Northern Diaconal Formation Partnership. Permanent Deacons are invited to attend local Deanery Clergy meetings and Diocesan Clergy spiritual and practical on-going formation events. Several Diocesan Deacons participated in the National Deacons conference, held this year at Liverpool Hope University. The Directorship of the Permanent Diaconate is being enhanced to develop the specific on-going formation and pastoral care for Permanent Deacons in both active ministry and those retired from active ministry.

The Diocese supports Priests who have retired from active ministry by providing appropriate living accommodation and an allowance to supplement their statutory pensions. Retired Priests receive welfare and other practical support through Catholic Care. This is a bespoke service, tailored to meet the changing needs of each Priest.

In the year ended 31 March 2023, income of £18k (2022: £11k) was received from the Parish Second Collection for the Retired Clergy Fund and £131k (2022: £121k) was received in dividend income (from the Retired Clergy Investment Fund) to support grant payments of £286k (2022: £295k) to retired Clergy.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

4. Maintenance of Property

Churches and associated Parish buildings play a central role in facilitating parish life. A Church is often a significant landmark and a social hub in its wider community. Over 90 per cent of the buildings owned by Parishes are more than 50 years old. Collectively, Parishes spent £1,935k (2022: £1,661k) on refurbishments, maintenance and repairs to churches, presbyteries and parish halls during the year. This level of investment equates to 24 per cent (2022: 19 per cent) of Total Parish Operating Expenditure and reflects the importance that the Diocese attaches to maintaining its Sacred Places.

During the year, capital expenditure of £796k (2022: £514k) was invested in Churches, principally at St Edward King and Confessor, Clifford; Our Lady and St Joseph of the Aire Valley, Cottingley; St Jeanne Jugan, Leeds; St Cuthbert's, Bradford and St Joseph's, Pontefract.

The Property Department works with the Historic Churches Committee (HCC) (a statutory body established under the Ecclesiastical Exemption (Listed Buildings and Conservation Areas) (England) Order 2010) to oversee and approve all building works on Listed Places of Worship. The Property Department also works with the Diocesan Art, Architecture and Heritage (AAH) Committee which considers all applications to undertake building works on churches in the Diocese. Members of the Committees are drawn from the Clergy, Lay Professionals, Local Authority Planning Departments and the Amenity Societies. The Property Administrator acts as Secretary to these Committees.

Parish volunteers, supported by Curia Property, Finance and Communications Departments have been instrumental in supporting local fundraising and securing grant funding for various property projects. Grants awarded in the year ended 31 March 2023 include £180k from the Albert Gubay Charitable Foundation towards major projects in 4 Parishes, £80k from the National Lottery Community Fund for Community Facilities in 8 Parishes, £47k from the Benefact Trust for 12 Parish projects and £19k from the Yorkshire Historic Churches for building repairs in 4 Parishes.

The Curia also makes appropriate applications, on behalf of Parishes, to the Listed Places of Worship (LPW) Grant Scheme. This Scheme provides grants to cover the VAT incurred in making repairs to listed buildings in use as places of worship.

In its collaboration with Parishes and Schools, the Curia is supported by a dedicated team of external property professionals, including experienced Architects and Chartered Surveyors. This support ensures that refurbishments, maintenance, and repairs take full account of all statutory building and health and safety regulations, the historic architecture of the buildings and the accessibility needs of Parishioners and Pupils with disabilities.

REPORT OF THE TRUSTEE (continued)

SUSTAINABILITY AND NET CARBON ZERO

In March 2023 the Trustee issued a Statement of Intent to develop a realistic and achievable Net Carbon Zero target for the Diocese. It will seek to set this target by:

- Appointing a Director with responsibility for Environmental matters;
- Calculating the Diocese's Carbon Footprint baseline, then establishing a Carbon Net Zero target date;
- Identifying Parish and School 'Champions' to create and connect Laudato Si' networks to inspire and encourage others to achieve CAFOD LiveSimply Awards;
- Creating online spiritual and practical resources to develop a One Diocese approach;
- Encouraging engagement activities and the sharing of ideas to work with nature, live sustainably, support fairness and promote social justice.

Bishop Marcus commented:

> "We must strive for realistic, achievable, incremental goals which are specific to the needs and context of the local environment as well as respectful of the worldwide environment."

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW

The table below summarises the financial activities of the Parishes and Curia during the year ended 31 March 2023.

	2023	2022
	£'000	£'000
Parishes		
Income	**7,624**	8,699
Expenditure	**(7,428)**	(5,998)
	196	2,701
Diocesan Assessment	**(728)**	(1,153)
Transfers	**(171)**	25
(Deficit)/Surplus	**(703)**	1,573
Net Gains/(Losses) on the Sale and Revaluation of Assets	**870**	(439)
Increase in Reserves	**167**	1,134
Curia		
Income	**4,438**	3,653
Diocesan Assessment	**728**	1,153
Transfers	**171**	(25)
Expenditure	**(5,345)**	(5,896)
Deficit	**(8)**	(1,115)
Net (Losses)/Gains on the Sale and Revaluation of Assets	**(1,198)**	1,282
(Decrease)/Increase in Reserves	**(1,206)**	167
Total Group (Decrease)/Increase in Reserves	**(1,039)**	1,301

Details of the income and expenditure are disclosed in the Consolidated Statements of Financial Activities on pages 29 and 30.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

The Diocese continues to comply with current statutory requirements and its governing documents.

The total income for the Diocese in the year was £12,062k (2022: £12,352k) a decrease of 2 per cent (2022: an increase of 46 per cent). The largest individual component of income is from Offertories amounting to £4,032k (2022: £3,781k), an increase of 7 per cent (2022: an increase of 17 per cent) compared with the prior year. Income from Donations, Gifts and Legacies, which is less predictable, was £1,817k lower (2022: £1,779k higher) than the prior year.

The total expenditure in the year was £12,773k (2022: £11,894k) an increase of £879k compared with the prior year, this includes a £702k increase in gas and electricity expenditure. The Total Cost of Raising Funds is analysed in Note 5 to the Financial Statements and Charitable Expenditure is analysed in Note 6 to the Financial Statements. Expenditure continues to be tightly managed and remains focused on delivering the Diocese's charitable objectives.

The operational deficit in the year was £711k (2022: Surplus £458k) and Net Resources decreased in the year by £1,039k (2022: an increase of £1,301k).

As disclosed in Note 1 to the Financial Statements (Accounting Policies 1.12), occupied school properties are valued at £Nil (2022: £Nil) as the Directors consider these properties to be inalienable.

At 31 March 2023, the Diocese reported a net cash position of £2,958k (2022: £3,596k). The Cash Flow Statement on page 32 reports a net decrease in cash and cash equivalents of £638k (2022:increase of £1,519k), a net cash inflow from Operating Activities of £185k (2022: outflow £132k) and a net cash outflow from Investing Activities £823k (2022: inflow £1,651k). As disclosed in Note 17 to the Financial Statements £4,051k (2022: £3,988k) of cash balances are held in respect of the School Building Programme.

Investment Policy and Performance

The Trust Deed authorises the Trustee to make and hold investments using the general funds of the Diocese. The Diocese's funds are managed in one general fund (Main Fund) and four specific funds (Priests' Retirement Fund, Batley Carr Cockrem Fund, Episcopal Mensa Fund and Music Fund). The Diocese operates an ethical investment policy and has agreed an investment strategy with its Investment Managers. The Investment Managers oversee the funds and their portfolio of investments on a discretionary basis within these guidelines. The Investment Managers provide quarterly reports and meet with the FSC annually to review fund performance and to consider the investment outlook.

The market value of investments reported in the Financial Statements at 31 March 2023 was £14,024k (2022: £15,047k). The movements are analysed in Note 15 to the Financial Statements. The main components comprise investment income generated of £333k (2022:

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Investment Policy and Performance (continued)

£318k), cash withdrawn of £Nil (2022: £181k) and profits arising on the sale of investments of £259k (2022: £78k). The unrealised loss on revaluation of £1,539k (2022: gain £350k) reflects the markets continuing volatility due the Russian invasion of Ukraine and the associated global supply and inflationary pressures. No capital drawdowns were made in the year ended 31 March 2023 which helped prevent losses being realised on the investment portfolios. Working with Investment Managers and using cash forecasts, drawdowns will be managed to mitigate exposure to short term market fluctuations. At the date of signing this report the Market Value of investments has been maintained compared with 31 March 2023.

The Diocese holds a portfolio of investment properties that are held either for a long-term rental income stream or are no longer required for meeting its principal charitable objectives and are, therefore, planned for long-term sale.

Reserves Policy

The Total Funds of the Diocese at 31 March 2023 were £57,039k (2022: £58,078k) of which £39,451k (2022: £39,284k) related to Parishes and £17,588k (2022: £18,794k) relates to the Curia and the subsidiary undertaking.

The Reserves Policy of the Diocese is to hold a value equivalent to at least three months of Total Operating Expenditure which is equivalent to £3,193k for the year ended 31 March 2023 (2022: £2,974k) as Free Reserves. Free Reserves are defined as Unrestricted Funds (including Parish Designated Funds) less Tangible Fixed Assets. Funds invested in Tangible Fixed Assets are excluded from Free Reserves as these funds cannot be released without undermining the Diocese's ability to fulfil its principal charitable objectives. At 31 March 2023, Free Reserves were £16,913k (2022: £18,410k) and represented sixteen months (2022: eighteen months) of Total Operating Expenditure. The Directors consider that this level of Free Reserves is reasonable, especially at the present time, to enable the Diocese to fulfil its immediate financial obligations and commitments and to plan for future investment requirements. This includes the training of Seminarians, Priests and Permanent Deacons, the welfare needs of retired Priests and the maintenance of the Diocese's Places of Worship.

Total Funds included £1,025k (2022: £1,023k) in Permanent Endowment Funds and £8,451k (2022: £8,586k) in Restricted Funds. The allocation of Permanent Endowment Funds and Restricted Funds is determined by the wishes of the donors and is disclosed in Note 20 (b) to the Financial Statements. Unrestricted Funds of £47,563k (2022: £48,469k) comprise Designated Funds in Parishes of £38,215k (2022: £38,480k) and General Funds in the Curia of £9,348k (2022: £9,989k). Designated Funds in Parishes ensure the financial sustainability of each Parish and will be expended over the life of that Parish.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Subsidiary Trading Company

The Diocese holds an investment in a wholly owned trading subsidiary, Hinsley Properties Limited. The Directors of this subsidiary company are appointed from the Directors and Officers of the Trustee. Hinsley Properties Limited was formed to manage the Diocesan Pastoral Centre at Hinsley Hall and an investment property, Cathedral Chambers. The Diocesan Pastoral Centre is also used by the wider national Catholic community. As disclosed in Note 15(b) to the Financial Statements, during the year the company generated a turnover of £911k (2022: £614k) and reported an operating loss of £304k (2022: loss £252k). The retained loss for the year of £304k (2022: £252k) has been taken to the consolidated unrestricted reserves.

Risk Management

The Trustee considers and assesses the major risks to which the Diocese is exposed by a quarterly review of its Risk Register. This includes strategic, financial, operational, and reputational risks. The Trustee implements policies and procedures in order to mitigate or minimise these risks and monitors the effectiveness of its risk management processes.

Financial Strategy

The current Financial Strategy provides the Charity with the financial flexibility it requires to deliver its charitable objectives. The Strategy's working capital enables Parishes, Curia Departments and Diocesan agencies to operate efficiently. The Strategy includes the efficient management of the Charity's financial assets by maximising the income and capital growth of these financial assets in line with the Charity's ethical investment policy and minimising interest costs through the management of its cash position.

The Directors carried out an eighteen-month cash flow forecast which included Stress Testing the cash income of the Charity. The Directors are satisfied that the Charity has sufficient flexibility within its financial assets and its existing bank facilities to enable it to continue to deliver its charitable objectives.

Approved by the Trustee on 27 June 2023 and signed on its behalf by:

+ Marcus Stock

Rt Rev M Stock
Bishop of Leeds
Director

TRUSTEE'S RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors of the Trustee are responsible for preparing the Trustee's Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the Financial Statements on the going concern basis, unless it is inappropriate to presume that the Charitable Group will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the Financial Statements comply with the Charities Act 2011 and applicable accounting regulations. It is also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST

Opinion

We have audited the financial statements of the Leeds Diocesan Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and 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).

In our opinion the Financial Statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2023 and of the group's and the parent charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the 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 Trustee with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Other Information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters 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 Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; 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 the Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 23, the Trustee is 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 Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the group and the 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 Trustee either intends to liquidate the group or the parent charity or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Auditor's responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustee, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with the Trustee and updating our understanding of the sector in which the group and parent charity operate.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Auditor's responsibilities for the Audit of the Financial Statements (continued)

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Use of our report

This report is made solely to the parent charity's Trustee, 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 parent charity Trustee 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 parent charity and the parent charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants and Statutory Auditors
Mitre House
North Park Road
Harrogate
HG1 5RX

28 June 2023

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 2023

		Parishes			Curia and Subsidiary				Group
	Note	Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and Endowments from:									
Donations, Legacies and Grants	2	5,439	1,203	6,642	199	1,125	2	1,326	7,968
Charitable Activities	3	76	-	76	837	-	-	837	913
Trading Activities		898	-	898	980	-	-	980	1,878
Investment Income	4	-	8	8	529	137	29	695	703
Other Income		-	-	-	600	-	-	600	600
Total Operating Income		**6,413**	**1,211**	**7,624**	**3,145**	**1,262**	**31**	**4,438**	**12,062**
Expenditure on:									
Total Cost of Raising Funds	5	-	-	-	1,246	-	-	1,246	1,246
Charitable Expenditure	6	6,846	582	7,428	2,625	1,445	29	4,099	11,527
Total Operating Expenditure		**6,846**	**582**	**7,428**	**3,871**	**1,445**	**29**	**5,345**	**12,773**
		(433)	**629**	**196**	**(726)**	**(183)**	**2**	**(907)**	**(711)**
Gross Transfer between Funds		(728)	(171)	(899)	932	(33)	-	899	-
Net Operating (Expenditure)/Income		**(1,161)**	**458**	**(703)**	**206**	**(216)**	**2**	**(8)**	**(711)**
Net Losses on Investment Assets		-	(26)	(26)	(903)	(351)	-	(1,254)	(1,280)
Net Gains on the Sale of Investment Properties		428	-	428	-	-	-	-	428
Net (Expenditure)/Income		**(733)**	**432**	**(301)**	**(697)**	**(567)**	**2**	**(1,262)**	**(1,563)**
Revaluation of Investment Properties		468	-	468	56	-	-	56	524
Net Movement in Funds	12	**(265)**	**432**	**167**	**(641)**	**(567)**	**2**	**(1,206)**	**(1,039)**
Reconciliation of Funds:									
Total Funds brought forward		38,480	804	39,284	9,989	7,782	1,023	18,794	58,078
Total Funds carried forward		**38,215**	**1,236**	**39,451**	**9,348**	**7,215**	**1,025**	**17,588**	**57,039**

All activities are from continuing operations. The Notes from page 33 to 59 form part of these Financial Statements. There were no recognised gains or losses for the year ended 31 March 2023 other than those included in the Consolidated Statement of Financial Activities. The results of Hinsley Properties Limited are included in Curia Unrestricted Funds.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 2022

	Note	Parishes			Curia and Subsidiary				Group
		Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and Endowments from:									
Donations, Legacies and Grants	2	6,748	1,234	7,982	229	1,255	6	1,490	9,472
Charitable Activities	3	72	-	72	767	-	-	767	839
Trading Activities		637	-	637	646	-	-	646	1,283
Investment Income	4	-	8	8	419	127	28	574	582
Other Income		-	-	-	176	-	-	176	176
Total Operating Income		**7,457**	**1,242**	**8,699**	**2,237**	**1,382**	**34**	**3,653**	**12,352**
Expenditure on:									
Total Cost of Raising Funds	5	-	-	-	986	-	-	986	986
Charitable Expenditure	6	4,726	1,272	5,998	2,593	1,565	34	4,192	10,190
Charitable Expenditure - Asset Impairment	7	-	-	-	718	-	-	718	718
Total Operating Expenditure		**4,726**	**1,272**	**5,998**	**4,297**	**1,565**	**34**	**5,896**	**11,894**
		2,731	**(30)**	**2,701**	**(2,060)**	**(183)**	**-**	**(2,243)**	**458**
Gross Transfer between Funds		(1,153)	25	(1,128)	1,153	(25)	-	1,128	-
Net Operating Income/(Expenditure)		**1,578**	**(5)**	**1,573**	**(907)**	**(208)**	**-**	**(1,115)**	**458**
Net Gains on Investment Assets		10	7	17	272	146	-	418	435
Net Gains on the Sale of Investment Properties		50	-	50	21	-	-	21	71
Net Income/(Expenditure)		**1,638**	**2**	**1,640**	**(614)**	**(62)**	**-**	**(676)**	**964**
(Impairment)/Revaluation of Investment Properties		(506)	-	(506)	843	-	-	843	337
Net Movement in Funds	12	**1,132**	**2**	**1,134**	**229**	**(62)**	**-**	**167**	**1,301**
Reconciliation of Funds:									
Total Funds brought forward		37,348	802	38,150	9,760	7,844	1,023	18,627	56,777
Total Funds carried forward		**38,480**	**804**	**39,284**	**9,989**	**7,782**	**1,023**	**18,794**	**58,078**

All activities are from continuing operations. The Notes from page 33 to 59 form part of these Financial Statements. There were no recognised gains or losses for the year ended 31 March 2022 other than those included in the Consolidated Statement of Financial Activities. The results of Hinsley Properties Limited are included in Curia Unrestricted Funds.

CONSOLIDATED BALANCE SHEET AND CHARITY BALANCE SHEET

	Note	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Fixed Assets					
Tangible Assets	13	**30,650**	30,059	**29,415**	28,779
Investment Properties	14	**12,474**	11,615	**11,274**	10,415
Investments	15	**14,024**	15,047	**15,884**	17,210
Total Fixed Assets		**57,148**	56,721	**56,573**	56,404
Current Assets					
Inventories		**8**	8	**-**	-
Debtors	16	**1,604**	2,737	**2,123**	3,020
Cash at Bank and in Hand		**2,958**	3,596	**2,930**	3,556
Total Current Assets		**4,570**	6,341	**5,053**	6,576
Current Liabilities					
Creditors and Accrued Expenses	17	**(4,679)**	(4,984)	**(4,587)**	(4,902)
Creditors: Amounts falling due within one year		**(4,679)**	(4,984)	**(4,587)**	(4,902)
Net Current (Liabilities)/Assets		**(109)**	1,357	**466**	1,674
Total Assets less Current (Liabilities)/Assets		**57,039**	58,078	**57,039**	58,078
Total Net Assets		**57,039**	58,078	**57,039**	58,078
The Funds of the Charity:					
Unrestricted Funds					
- Designated Funds	20	**38,215**	38,480	**38,215**	38,480
- General Funds	20	**9,348**	9,989	**9,348**	9,989
Restricted Funds	20	**8,451**	8,586	**8,451**	8,586
Permanent Endowments	20	**1,025**	1,023	**1,025**	1,023
Total Charity Funds		**57,039**	58,078	**57,039**	58,078

The Notes from page 33 to 59 form part of these Financial Statements.

These Financial Statements were approved and authorised by the Directors on 27 June 2023 and signed on their behalf by:

+ Marcus Stock

Rt Rev M Stock
Bishop of Leeds
Director

CONSOLIDATED CASH FLOW STATEMENT

	2023	2022
	£'000	£'000
Cash Flows from Operating Activities		
Net Movement in Funds	**(1,039)**	1,301
Adjusted for:		
Deprecation Charges	**695**	682
Impairment Charges	**-**	718
Revaluation of Investment Properties	**(524)**	(337)
Gain on Disposal of Investment Properties	**(428)**	(71)
Net Loss/(Gains) on Investments	**1,280**	(435)
Investment Income	**(703)**	(582)
Decrease/(Increase) in Debtors	**1,133**	(1,654)
(Decrease)/Increase in Creditors	**(305)**	156
Increase in Inventories	**-**	(4)
Other non cash Expenditure	**76**	94
Net Cash provided by/(used in) Operating Activities	**185**	(132)
Cash Flows from Investing Activities		
Proceeds from the Disposal of Fixed Asset Investments	**-**	181
Investment Properties Income	**370**	264
Proceeds from the Sale of Investment Properties	**428**	1,732
Payments to Acquire Tangible Fixed Assets	**(1,621)**	(526)
Net Cash (used in)/provided by Investing Activities	**(823)**	1,651
Net (Decrease)/Increase in Cash and Cash Equivalents	**(638)**	**1,519**
Cash and Cash Equivalents at the beginning of year	**3,596**	2,077
Cash and Cash Equivalents at the end of year	**2,958**	3,596

Analysis of Net Cash

	2023	**Movement**	2022	Movement	2021
	£'000	**£'000**	£'000	£'000	£'000
Cash at Bank and in Hand	**2,958**	**(638)**	3,596	1,519	2,077

The Notes from page 33 to 59 form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

ACCOUNTING POLICIES

1.1 Basis of Accounting

These Financial Statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain fixed assets and include the results of the Charity and its subsidiary's operations which are described in the Trustee's Report.

The Financial Statements are prepared in Sterling which is the functional currency of the entity. Monetary amounts in these Financial Statements are rounded to the nearest thousand pounds (£'000). 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 United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice. The Charity is a public benefit entity for the purposes of FRS 102.

1.2 Going Concern

The Directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charitable Group to continue as a going concern and to meet its net current liabilities. The Directors have made this assessment for a period of at least twelve months from the date of approval of the Financial Statements. In particular the Directors have considered the Group's forecasts and projections and have taken account of pressures on offertory, donation and investment income. After making enquiries the Directors have concluded that there is a reasonable expectation that the Group has adequate resources when taking into account the headroom provided by Investments held, to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its Financial Statements.

1.3 Basis of Consolidation

The Statement of Financial Activities, Balance Sheet and Cash Flow consolidate the Financial Statements of the Charity, comprising the Curia and the Parishes, together with a subsidiary undertaking, Hinsley Properties Limited.

1.4 Income

Income, including grants, is included in the Statement of Financial Activities on the basis of the amounts receivable for the year. Income from trading activities is included in the period that the Charity is entitled to the receipt.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.4 Income (continued)

In Parishes, the majority of income is received from voluntary donations and legacies. Legacies are recognised following probate and once there is sufficient evidence that the receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, the details are disclosed as a contingent asset, if material, until the criteria for income recognition are met.

Curial income includes income from services carried out at the Diocesan Pastoral Centre, Hinsley Hall, and income from Investment Properties and other Investments.

Gifts of fixed assets are included at valuation and the equivalent value is recorded as donations. If a gifted asset is under construction, then its value is recorded on completion.

1.5 Expenditure

Expenditure is included in the Statement of Financial Activities on the basis of the amounts payable for goods and services provided in the year.

Charitable expenditure consists of all expenditure directly relating to the objectives of the Diocese. Certain central costs, which cannot be directly apportioned, are allocated in proportion to the direct costs of the aims of the Charity.

The Diocese does not incur direct costs in its voluntary fundraising activities. The Diocese receives substantial voluntary help in its work, and it is not possible to place a financial value on this work.

Investment management fees, interest costs and the cost of sales and administrative costs of the subsidiary company are included in the cost of raising funds.

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure includes VAT where it cannot be fully recovered and is reported as part of the expenditure to which it relates.

Governance costs are those incurred in connection with the audit of the Charity and its compliance with constitutional and statutory requirements, including legal fees.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.6 Commitments

Commitments that are made by the Trustee that are legally binding have been accrued. Those that are not legally binding have not been charged in the Financial Statements but have been disclosed in the Notes to the Financial Statements.

1.7 Grants Payable

Discretionary grants are paid as a contribution to the running costs of organisations whose objectives are consistent with those of the Charity. Grants are paid on an ad–hoc basis and payment in one financial year does not imply continued support in future financial years. Liabilities relating to grants payable are recognised once the Charity is irrevocably committed to the provision of the grant.

1.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted mid-market price. Realised and unrealised gains and losses on Investments are reported in the Statement of Financial Activities. Investment income plus any associated tax recoverable is credited to income on an accruals basis.

Investments in subsidiaries are accounted for at cost less impairment in the individual Financial Statements.

1.9 Investment Properties

Investment property, which is property held to earn rentals and capital appreciation, is measured using the fair value model as at the Balance Sheet date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.10 Taxation

The Trustee considers that the Charity is exempt from taxation and therefore no provision has been made for it. There is no taxation charge arising for the year within Hinsley Properties.

1.11 Pension Scheme

The Charity makes defined contributions to a Group personal pension scheme for certain employees. Contributions payable for the year are charged in the Statement of Financial Activities. Contributions are also paid for eligible employees, to the Teachers' Pension Scheme (England and Wales), and further information regarding this scheme is disclosed in Note 10 to the Financial Statements. Contributions payable are charged as charitable expenditure in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.12 Tangible Assets

Parish Property

The value of Parish properties are capitalised in the Financial Statements as follows:

- Properties acquired on or before 31 March 1997: these properties were capitalised at 10 per cent of their insurance value at that date.
- Properties acquired since 31 March 1997: these are capitalised at cost.

All Parish buildings are depreciated on a straight-line basis of two per cent per annum.

Curial Freehold Buildings

A review of building valuations is carried out annually and, where required, an appropriate impairment charge is made in the Statement of Financial Activities. Curial freehold buildings are maintained to a high standard and depreciation is not provided for as, in the Trustee's opinion, the residual value is equal to the carrying value in the Financial Statements.

Freehold Property Improvements

Improvements to freehold properties are capitalised at cost and depreciated on a straight-line basis of two per cent per annum.

Impairment reviews are undertaken on an annual basis.

Fixtures, Fittings and Equipment

Fixtures, fittings and equipment are stated at cost less depreciation. Depreciation is calculated by the straight-line method to write off the cost or value, less anticipated residual value, over the expected useful lives of the assets. Assets have an expected useful life of between three years and ten years.

Impairment reviews are undertaken on an annual basis.

School Property

Certain school properties are owned by the Diocese and are occupied and run by independent charities in the form of Voluntary Aided (maintained) schools and CMATs. There are significant legal restrictions on the disposal of these properties under education legislation. The Trustee considers the ownership of these assets to be in the nature of custodianship and they are, therefore, not capitalised in the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.13 Properties Held for Resale

Curia and Parish properties no longer used by the Diocese in pursuing its charitable aims, and whose sale is expected to complete within twelve months of the Balance Sheet date, are reported as Properties Held for Sale within current assets on the face of the Balance Sheet and are included at their estimated realisable value.

1.14 Schools Building Programme

The Diocese acts as agent on behalf of School Governors. Grants received, and contributions through the Voluntary Contributions Scheme (VCS), are netted off against total costs so that only the residual cost is included in the Financial Statements. As an agent, the Diocese is bound by agreement with each individual school and, therefore, has no discretion over the use of these funds. These agency funds are carried forward within cash and creditors in the Balance Sheet

1.15 Inventories

Inventories consist of purchased goods for resale and are valued at the lower of cost and net realisable value.

1.16 Fund Accounting

General Funds are Unrestricted Funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Parishes in the Diocese are established and operate under Canon Law, which gives each Parish a distinct status within the Church. Unrestricted Parish funds are reported as Designated Funds in the Financial Statements, to reflect the relative autonomy given to the Parish Priest under Canon Law.

Restricted Funds are funds that are used in accordance with specific instructions made by donors, or which have been raised by the Diocese for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each Restricted Fund is set out in the Note 20(b) to the Financial Statements.

The capital of Permanent Endowment Funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the Diocese, according to the terms of the original gift.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.17 Financial Instruments

Basic financial instruments are measured at amortised cost. The Group has no other financial instruments or basic financial instruments measured at fair value.

1.18 Critical Accounting Estimates

In preparing financial statements, it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in those financial statements. The following judgements and estimates are considered by the Trustee to have the most significant effect on amounts recognised in the Financial Statements.

Useful Economic Life: the annual depreciation charge for buildings, fixtures, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and are amended where necessary to reflect current circumstances.

Investment Properties are valued on the basis of market value every five years. In the intervening years a review of Investment Properties' fair value is carried out annually and an appropriate revaluation credit or impairment charge is made in the Statement of Financial Activities.

The valuation of year end debtors includes estimates for deferred income with respect to Legacies, Grants, and Gift Aid Tax Recoverable.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. DONATIONS, LEGACIES AND GRANTS

	2023							
	Parishes			Curia				Group
	Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Offertories	4,015	-	4,015	-	17	-	17	4,032
Donations and Gifts	168	-	168	97	31	2	130	298
Votives	193	-	193	-	-	-	-	193
Legacies	297	-	297	54	25	-	79	376
Gift Aid Tax Refunds	726	-	726	48	-	-	48	774
Parish Projects	-	163	163	-	-	-	-	163
Parish Second Collections	-	131	131	-	-	-	-	131
Diocesan Second Collections	-	109	109	-	-	-	-	109
National Second Collections	-	196	196	-	-	-	-	196
Grants	-	604	604	-	1,052	-	1,052	1,656
Other	40	-	40	-	-	-	-	40
Total	5,439	1,203	6,642	199	1,125	2	1,326	7,968

	2022							
	Parishes			Curia				Group
	Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Offertories	3,767	-	3,767	-	14	-	14	3,781
Donations and Gifts	219	-	219	18	87	2	107	326
Votives	139	-	139	-	-	-	-	139
Legacies	1,800	-	1,800	132	233	-	365	2,165
Gift Aid Tax Refunds	691	-	691	48	4	4	56	747
Parish Projects	-	132	132	-	-	-	-	132
Parish Second Collections	-	116	116	-	-	-	-	116
Diocesan Second Collections	-	68	68	-	-	-	-	68
National Second Collections	-	152	152	-	-	-	-	152
Grants	20	766	786	31	917	-	948	1,734
Other	112	-	112	-	-	-	-	112
Total	6,748	1,234	7,982	229	1,255	6	1,490	9,472

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. INCOME FROM CHARITABLE ACTIVITIES

Income from charitable activities consists of:

	2023	2022
	£'000	£'000
School Contribution Scheme	**278**	284
Music Contribution Scheme	**149**	134
Youth Pilgrimages	**19**	-
Conference Fees	**5**	8
Cemetery Fees	**320**	289
Other	**142**	124
Total	**913**	839

4. INVESTMENT INCOME

	2023			
	Unrestricted Funds	**Restricted Funds**	**Permanent Endowment Funds**	**Total Funds**
	£'000	**£'000**	**£'000**	**£'000**
Income arising from:				
Investment Properties	**365**	**5**	**-**	**370**
Listed Investments	**164**	**140**	**29**	**333**
Total	**529**	**145**	**29**	**703**

	2022			
	Unrestricted Fund	Restricted Fund	Permanent Endowment Fund	Total Funds
	£'000	£'000	£'000	£'000
Income arising from:				
Investment Properties	259	5	-	264
Listed Investments	160	130	28	318
Total	419	135	28	582

5. TOTAL COST OF RAISING FUNDS

The total cost of raising funds consists of:

	2023	2022
	£'000	£'000
Investment Management Fees	**82**	85
Hinsley Properties Limited Expenditure	**1,164**	901
Total	**1,246**	986

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. CHARITABLE EXPENDITURE

		2023 Aims of the Charity				
		Advancement of Catholic Religion	**Promotion of Catholic Teaching**	**Care of Priests**	**Maintenance of Properties**	**Total**
		£'000	**£'000**	**£'000**	**£'000**	**£'000**
Parishes	Grants Payable	**49**	**-**	**-**	**-**	**49**
	Other Direct Costs	**1,144**	**47**	**1,541**	**3,718**	**6,450**
	Support Costs	**170**	**7**	**220**	**532**	**929**
	Total	**1,363**	**54**	**1,761**	**4,250**	**7,428**
Curia	Grants Payable	**90**	**283**	**312**	**-**	**685**
	Other Direct Costs	**335**	**1,185**	**380**	**383**	**2,283**
	Support Costs	**162**	**560**	**263**	**146**	**1,131**
	Total	**587**	**2,028**	**955**	**529**	**4,099**
Total	Grants Payable	**139**	**283**	**312**	**-**	**734**
	Other Direct Costs	**1,479**	**1,232**	**1,921**	**4,101**	**8,733**
	Support Costs	**332**	**567**	**483**	**678**	**2,060**
	Total	**1,950**	**2,082**	**2,716**	**4,779**	**11,527**

		2022 Aims of the Charity				
		Advancement of Catholic Religion	Promotion of Catholic Teaching	Care of Priests	Maintenance of Properties	Total
		£'000	£'000	£'000	£'000	£'000
Parishes	Grants Payable	26	-	-	-	26
	Other Direct Costs	865	37	1,242	2,987	5,131
	Support Costs	146	6	204	485	841
	Total	1,037	43	1,446	3,472	5,998
Curia	Grants Payable	108	683	322	-	1,113
	Other Direct Costs	251	1,051	355	381	2,038
	Support Costs	119	573	223	126	1,041
	Total	478	2,307	900	507	4,192
Total	Grants Payable	134	683	322	-	1,139
	Other Direct Costs	1,116	1,088	1,597	3,368	7,169
	Support Costs	265	579	427	611	1,882
	Total	1,515	2,350	2,346	3,979	10,190

Support Costs have been apportioned across the four aims of the Charity by pro-rating those costs to the grants payable and other direct costs of the individual aims. Included in Support Costs are Governance Costs of £22k (2022: £22k).

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. CHARITABLE EXPENDITURE – IMPAIRMENTS

In the prior year, the asset impairment charge of £718k related to the transfer of use of two properties from a Chaplaincy to a School. Following the transfer in the use of these properties, the Directors consider the ownership of these properties to be in the nature of a custodianship.

8. ANALYSIS OF GRANTS PAYABLE

	2023			2022
	Grants to Institutions	Individuals	Total	Total
	£'000	£'000	£'000	£'000
National Schools Singing Programme Participants	**250**	**-**	**250**	650
Catholic Trust for England and Wales	**61**	**-**	**61**	56
Catholic Education Service	**33**	**-**	**33**	33
Clergy Retirement Grants	**-**	**286**	**286**	295
Seminarian Grants	**-**	**25**	**25**	27
Peru Mission	**30**	**-**	**30**	52
Local Organisations	**49**	**-**	**49**	26
	423	**311**	**734**	1,139

Grants paid to institutions are paid as a contribution to the running costs of charities with objectives similar to those of the Leeds Diocesan Trust.

Participants of the National Schools Singing Programme consist of Catholic Dioceses throughout the United Kingdom, a Catholic College and Anglican Cathedrals.

There were 38 (2022: 41) grants given for the benefit of Retired Clergy amounting to £286k (2022: £295k).

9. CLERGY COSTS

	Clergy Allowances		
	Parishes	Curia	Total
	£'000	£'000	£'000
2023	**748**	**179**	**927**
2022	689	149	838

These allowances relate to Clergy in active ministry.

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. EMPLOYMENT COSTS AND NUMBERS

Staff costs comprise the following:

	2023			2022
	Parishes	**Curia**	**Total**	Total
	£'000	**£'000**	**£'000**	£'000
Salaries and Wages	**548**	**1,418**	**1,966**	1,793
Employers' National Insurance	**71**	**141**	**212**	188
Pension Costs	**7**	**132**	**139**	92
Gross Employment Costs	**626**	**1,691**	**2,317**	2,073
Coronavirus Job Retention Scheme Grant	**-**	**-**	**-**	(101)
	626	**1,691**	**2,317**	1,972

During the year payments of £45k (2022: £63k) were paid to three employees (2022: three employees) in relation to redundancy payments.

The number of employees who received a salary in excess of £60,000 per annum was as follows:

	2023	2022
£60,001 to £70,000	**3**	2
£70,001 to £80,000	**-**	-
£80,001 to £90,000	**-**	1
£90,001 to £100,000	**1**	-
	4	3

Volunteers

Central to the fulfilment of the Charity's objectives is the role played by volunteers in ministries in the Parishes. There more than 1,000 volunteers providing over 13,000 hours of work in governance, administration and property management. It is not practical to place a monetary cost on this work, an indicator based on the Living Foundation hourly rate of £10.90 per hour would suggest a value of at least £142k per annum.

Teachers Pension Scheme (TPS)

The Teachers' Pension Scheme (TPS) is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. EMPLOYMENT COSTS AND NUMBERS (continued)

Teachers Pension Scheme (TPS) (continued)

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions. On 27 June 2019 the Supreme Court denied the Government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The Government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The Government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June 2021 on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses. In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. EMPLOYMENT COSTS AND NUMBERS (continued)

Average Weekly Employment Numbers

The average weekly number of full-time and part-time employees is analysed as follows:

	Total Diocesan Employees		
	Parishes	**Curia**	**Total**
2023	**101**	**73**	**174**
2022	94	65	159

11. DIRECTORS AND KEY MANAGEMENT PERSONNEL

The Directors do not receive any payments in respect of their Office. Directors who are members of the Clergy receive allowances and expenses for their work in active ministry which are paid by their Parish or by the Curia, if they have a non-Parochial role. No payments were made to Lay Directors in either the current year or the prior year. No reimbursement of expenses was paid to the Directors of the Trustee in either the current year or the prior year.

The Charity considers that its key management personnel comprise the Directors and Senior Curia Officers. The Directors did not receive any employment benefits in either the current year or the prior year. Senior Curia Officers received total employment benefits in the year of £321k (2022: £353k), including employers' National Insurance Contributions of £28k (2022: £32k) and pension contributions of £34k (2022: £19k).

12. NET MOVEMENT IN FUNDS IN THE YEAR

Movement in net funds in the year is stated after charging:

	2023	2022
	£'000	£'000
Auditor's Remuneration		
- audit services	**21**	21
- other services	**1**	1
Depreciation of Owned Assets	**695**	682
Impairment of Owned Assets	**-**	718
Operating Lease Rentals	**40**	40

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. TANGIBLE ASSETS

Group

	Total Charity			Subsidiary			Total Group		
	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Leasehold Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost or valuation									
At 1 April 2022	37,562	2,408	39,970	1,894	408	2,302	39,456	2,816	42,272
Additions	1,569	20	1,589	-	32	32	1,569	52	1,621
Disposals	-	-	-	-	(12)	(12)	-	(12)	(12)
Transfers	(335)	-	(335)	-	-	-	(335)	-	(335)
At 31 March 2023	**38,796**	**2,428**	**41,224**	**1,894**	**428**	**2,322**	**40,690**	**2,856**	**43,546**
Depreciation and impairments									
At 1 April 2022	10,256	935	11,191	859	163	1,022	11,115	1,098	12,213
Charge for the year	567	51	618	38	39	77	605	90	695
Disposals	-	-	-	-	(12)	(12)	-	(12)	(12)
At 31 March 2023	**10,823**	**986**	**11,809**	**897**	**190**	**1,087**	**11,720**	**1,176**	**12,896**
Net Book Value 31 March 2023	**27,973**	**1,442**	**29,415**	**997**	**238**	**1,235**	**28,970**	**1,680**	**30,650**
Net Book Value 1 April 2022	27,306	1,473	28,779	1,035	245	1,280	28,341	1,718	30,059

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. TANGIBLE ASSETS (continued)

Charity

	Parishes			Curia			Total Charity		
	Church Properties £'000	Church Contents £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost or valuation									
At 1 April 2022	28,329	2,383	30,712	9,233	25	9,258	37,562	2,408	39,970
Additions	796	-	796	773	20	793	1,569	20	1,589
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	(335)	-	(335)	(335)	-	(335)
At 31 March 2023	**29,125**	**2,383**	**31,508**	**9,671**	**45**	**9,716**	**38,796**	**2,428**	**41,224**
Depreciation and impairments									
At 1 April 2022	9,538	915	10,453	718	20	738	10,256	935	11,191
Charge for the year	567	48	615	-	3	3	567	51	618
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2023	**10,105**	**963**	**11,068**	**718**	**23**	**741**	**10,823**	**986**	**11,809**
Net Book Value 31 March 2023	**19,020**	**1,420**	**20,440**	**8,953**	**22**	**8,975**	**27,973**	**1,442**	**29,415**
Net Book Value 1 April 2022	18,791	1,468	20,259	8,515	5	8,520	27,306	1,473	28,779

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENT PROPERTIES

	Charity			Subsidiary	Group
	Parishes	Curia	Total	Total	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2022	5,850	4,565	10,415	1,200	11,615
Revaluations	468	56	524	-	524
Transfers	-	335	335	-	335
At 31 March 2023	**6,318**	**4,956**	**11,274**	**1,200**	**12,474**
Depreciation and impairments					
At 1 April 2022 and 31 March 2023	**-**	**-**	**-**	**-**	**-**
Net Book Value 31 March 2023	**6,318**	**4,956**	**11,274**	**1,200**	**12,474**
Net Book Value 1 April 2022	5,850	4,565	10,415	1,200	11,615

Investment Properties are valued on the basis of market value every five years.

Investment Properties held to generate a rental income are valued on the basis of market value as defined in the RICS Valuation and Appraisal Manual (7th Edition). The last valuations were carried out by Sanderson Weatherall, Chartered Surveyors, Lambert Smith Hampton, Chartered Surveyors and WBW Chartered Surveyors on 31 March 2022 for the Charity's Investment Properties and on 26 February 2021 for the Subsidiary's Investment Property.

Investment Properties earmarked for sale on the open market are valued on the basis of market value taking into consideration the advice of external professional Chartered Surveyors and their estimated net realisable value.

In the intervening years, a review of the fair value is undertaken at the Balance Sheet date and the resulting revaluation or impairment recognised in the Statement of Financial Activities.

In the Trustee's opinion, the net book value disclosed in the Balance Sheet reflects its best estimate of the fair value of Investment Properties at 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. INVESTMENTS

a) GROUP

Listed Investments

	2023	2022
	£'000	£'000
Movement in Fixed Asset Investments:		
Market value at 1 April	**15,047**	14,569
Investment Income	**333**	318
Net Unrealised (Loss)/Gain on Revaluation	**(1,539)**	350
Net Realised Gains in the Year	**259**	78
Investment Managers' Costs Deducted from Investments	**(76)**	(87)
Withdrawn from Investments	**-**	(181)
Market Value at 31 March	**14,024**	15,047
Analysis of Market Value of Investment by Type:		
Equities	**9,464**	9,983
Bonds	**2,168**	2,488
Properties	**294**	361
Alternative Investments	**1,598**	1,540
Cash	**500**	675
Market Value at 31 March	**14,024**	15,047
Analysis of Market Value of Investments between those held within and outside the United Kingdom:		
Within the United Kingdom	**6,417**	8,386
Outside the United Kingdom	**7,607**	6,661
Market Value at 31 March	**14,024**	15,047
Analysis of Market Value by Fund:		
Unrestricted	**7,587**	8,270
Restricted	**5,412**	5,754
Permanent Endowment	**1,025**	1,023
Market Value at 31 March	**14,024**	15,047
Historic Cost of Investments	**11,548**	10,979

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. INVESTMENTS (continued)

b) CHARITY

The investments of the Charity comprise:

	2023	2022
	£'000	£'000
Listed Investments (see Note 15(a) above)	**14,024**	15,047
Investment in Subsidiary Companies	**1,860**	2,163
	15,884	17,210

Investment in Subsidiary Companies
Hinsley Properties Limited (company registration number 2974080)

The Charity owns 100 per cent of the Ordinary share capital of the company. A provision of £304k (2022: £252k) has been made against the investment in this company in the year. The principal activities of the company were the operation of the Diocesan Pastoral Centre at Hinsley Hall, Leeds, and the management of an investment property, Cathedral Chambers.

A summary of the company's audited trading results for the year ended 31 March 2023 is shown below:

	2023	2022
	£'000	£'000
Turnover	**911**	614
Cost of Sales	**(807)**	(536)
Administrative Expenses	**(368)**	(376)
Other Operating Income	**-**	86
Rent paid to the Parent Undertaking	**(40)**	(40)
Loss for the Financial Year	**(304)**	(252)

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. INVESTMENTS (continued)

b) CHARITY (continued)

A summary of the company's audited Balance Sheet at 31 March 2023 is shown below:

	2023	2022
	£'000	£'000
Fixed Assets	**2,435**	2,480
Net Current Liabilities	**(575)**	(316)
Total Assets	**1,860**	2,164
Called up Share Capital	**1,500**	1,500
Profit and Loss Account	**360**	664
Equity Shareholders' Funds	**1,860**	2,164

Inter-Diocesan Fuel Management Limited (IFM)
The Charity owns 11.1 (2022: 11.1) per cent of the Ordinary share capital of the company.

IFM was established in 1994 under the Catholic ethos of ‘brother helping brother’. IFM, in addition to achieving best pricing through bulk purchase, has sourced its electricity from renewable energy sources (principally hydro-electric and wind power) for over 20 years. Since 2017 it has been committed to sourcing ‘green’ gas (for example biogas and syngas) and where this has not been possible it has engaged with its suppliers in carbon neutral projects in the United Kingdom and developing countries.

Dormant Company
The trading subsidiary company, Hinsley Properties Limited, owns 100 per cent of the ordinary share capital of Hinsley Hall Limited.

Hinsley Hall Limited was dormant in both the current and the prior year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. DEBTORS

	2023		
	Charity	**Subsidiary**	**Group**
	£'000	**£'000**	**£'000**
Trade Debtors	**372**	**38**	**410**
Gift Aid Tax Recoverable	**337**	**-**	**337**
Legacies Receivable	**578**	**-**	**578**
Grants Receivable	**89**	**-**	**89**
Other Debtors and Prepayments	**167**	**23**	**190**
Amounts due from/(by) Subsidiary Company	**580**	**(580)**	**-**
	2,123	**(519)**	**1,604**

	2022		
	Charity	Subsidiary	Group
	£'000	£'000	£'000
Trade Debtors	139	54	193
Gift Aid Tax Recoverable	321	-	321
Legacies Receivable	1,727	-	1,727
Grants Receivable	162	-	162
Other Debtors and Prepayments	314	20	334
Amounts due from/(by) Subsidiary Company	357	(357)	-
	3,020	(283)	2,737

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023		
	Charity	**Subsidiary**	**Group**
	£'000	**£'000**	**£'000**
Trade Creditors	**4,248**	**35**	**4,283**
Other Tax and Social Security	**47**	**27**	**74**
Accruals and Deferred Income	**82**	**27**	**109**
Other Creditors	**210**	**3**	**213**
	4,587	**92**	**4,679**

	2022		
	Charity	Subsidiary	Group
	£'000	£'000	£'000
Trade Creditors	4,530	37	4,567
Other Tax and Social Security	36	27	63
Accruals and Deferred Income	74	15	89
Other Creditors	262	3	265
	4,902	82	4,984

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

Included in Trade Creditors is £4,051k (2022: £3,988k) in respect of the School Building Programme for which the Diocese acts as agent. The Diocese is bound by agreement with each individual School and, therefore, has no discretion over the use of these funds. As agent, during the year the Diocese received £1,813k (2022: £2,551k) and made payments of £1,750k (2022: £2,076k). Also included in Trade Creditors is £87k (2022: £108K) held on behalf of St Monica's Housing Trust Limited, a registered charity operating in the Diocese for the provision of accommodation for destitute women seeking asylum in the United Kingdom.

18. CAPITAL COMMITMENTS

The Diocese entered into a Private Finance Initiative (PFI) arrangement for the building of a School on 4 June 1999. The Leeds Diocesan Trust is obliged to make a payment of £115k per annum until August 2025. The payment is recognised as a charge to the Statement of Financial Activities in the year in which it is incurred.

In addition, the Diocese had capital commitments of £1,034k at 31 March 2023 (2022: £126k).

19. OPERATING LEASES

At 31 March 2023 the Diocese had the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2023			2022
	Charity	**Subsidiary**	**Group**	Group
	£'000	**£'000**	**£'000**	£'000
Expiry date:				
Within one year	45	48	93	95
Between two and five years	97	162	259	252
	142	210	352	347

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. ANALYSIS OF CHARITABLE FUNDS

a) Analysis of Unrestricted Fund Movements

	For the year ended 31 March 2023					
	At 1 April 2022 £'000	**Income £'000**	**Expenditure £'000**	**Transfers £'000**	**Investments Gains/(Losses) £'000**	**At 31 March 2023 £'000**
Parishes - Designated Funds	**38,480**	**6,413**	**(6,846)**	**(728)**	**896**	**38,215**
Curia - Designated Funds	**2,629**	**-**	**-**	**-**	**-**	**2,629**
Curia - General Funds	**7,360**	**3,145**	**(3,871)**	**932**	**(847)**	**6,719**
Curia - Unrestricted Funds	**9,989**	**3,145**	**(3,871)**	**932**	**(847)**	**9,348**
Total Unrestricted Funds	**48,469**	**9,558**	**(10,717)**	**204**	**49**	**47,563**

	For the year ended 31 March 2022					
	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investments (Losses)/Gains £'000	At 31 March 2022 £'000
Parishes - Designated Funds	37,348	7,457	(4,726)	(1,153)	(446)	38,480
Curia - Designated Funds	2,698	-	(69)	-	-	2,629
Curia - General Funds	7,062	2,237	(4,228)	1,153	1,136	7,360
Curia - Unrestricted Funds	9,760	2,237	(4,297)	1,153	1,136	9,989
Total Unrestricted Funds	47,108	9,694	(9,023)	-	690	48,469

The transfer of funds from Parishes to the Curia of £728k (2022: £1,153k) is for the annual assessment that is made on Parishes to enable the Diocese to meet its pastoral and charitable objectives and its statutory obligations. The annual assessment is made on each Parish in proportion to its income.

Unrestricted Funds for Parishes are classified as Designated Funds to reflect the autonomy of each Parish given to it under Canon Law. The Designated Funds will be spent over the lifetime of each Parish.

Curia Designated Funds are for future youth evangelisation initiatives.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. ANALYSIS OF CHARITABLE FUNDS (continued)

b) Analysis of Restricted Fund Movements

	For the year ended 31 March 2023					
	At 1 April 2022	Income	Expenditure	Transfers	Investments Losses	At 31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Parishes						
Parish Fundraising	**404**	**767**	**(213)**	**(104)**	**-**	**854**
Second Collections	**-**	**436**	**(369)**	**(67)**	**-**	**-**
Batley Carr Cockrem Fund	**400**	**8**	**-**	**-**	**(26)**	**382**
Total Parishes	**804**	**1,211**	**(582)**	**(171)**	**(26)**	**1,236**
Curia						
Priests' Retirement Fund	**6,328**	**136**	**(507)**	**18**	**(351)**	**5,624**
Peru Mission Fund	**127**	**-**	**(30)**	**10**	**-**	**107**
Poor Mission Fund	**279**	**-**	**-**	**(98)**	**-**	**181**
Episcopal Mensa Fund	**65**	**1**	**-**	**-**	**-**	**66**
Pastoral Development Fund	**32**	**-**	**-**	**-**	**-**	**32**
St Patrick's Mission Church	**305**	**40**	**(18)**	**-**	**-**	**327**
Priests' Training Fund	**63**	**28**	**(73)**	**18**	**-**	**36**
National Schools Singing Programme	**310**	**892**	**(662)**	**-**	**-**	**540**
Other Funds	**273**	**165**	**(155)**	**19**	**-**	**302**
Total Curia	**7,782**	**1,262**	**(1,445)**	**(33)**	**(351)**	**7,215**
Total Restricted Funds	**8,586**	**2,473**	**(2,027)**	**(204)**	**(377)**	**8,451**

	For the year ended 2022					
	At 1 April 2021	Income	Expenditure	Transfers	Investments Gains	At 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Parishes						
Parish Fundraising	417	898	(987)	76	-	404
Second Collections	-	336	(285)	(51)	-	-
Batley Carr Cockrem Fund	385	8	-	-	7	400
Total Parishes	802	1,242	(1,272)	25	7	804
Curia						
Priests' Retirement Fund	6,361	312	(502)	11	146	6,328
Peru Mission Fund	160	11	(52)	8	-	127
Poor Mission Fund	338	8	-	(67)	-	279
Episcopal Mensa Fund	64	1	-	-	-	65
Pastoral Development Fund	32	-	-	-	-	32
St Patrick's Mission Church	272	41	(8)	-	-	305
Priests' Training Fund	73	54	(79)	15	-	63
National Schools Singing Programme	375	815	(880)	-	-	310
Other Funds	169	140	(44)	8	-	273
Total Curia	7,844	1,382	(1,565)	(25)	146	7,782
Total Restricted Funds	8,646	2,624	(2,837)	-	153	8,586

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. ANALYSIS OF CHARITABLE FUNDS (continued)

b) Analysis of Restricted Fund Movements (continued)

The purposes of the principal funds are detailed below:

Priests' Retirement Fund:	This fund provides accommodation and allowances for Priests who have retired from active ministry.
Batley Carr Cockrem Fund:	This legacy has been invested for the specific benefit of St Joseph's Parish, Batley Carr.
Peru Mission Fund:	The Diocese supports the Church's mission in Peru.
Poor Mission Fund:	This fund provides assistance to less affluent Parishes and Religious Communities within the Diocese.
Episcopal Mensa Fund:	This fund supports the Bishop of Leeds and appeals made at his discretion.
Priests' Training Fund:	This fund pays for the seminary fees and other costs associated with training men for the Priesthood.
St Patrick's Mission Church:	This is a Mission in the centre of Bradford and is operated jointly with the Franciscan Friars of the Renewal.
National Schools Singing Programme:	This fund is financed through a grant agreement with the Hamish Ogston Foundation. The grant agreement provides funding over eight years for the development of the Schools Singing Programme both in the Diocese and through a collaborative project with other Catholic Dioceses throughout the United Kingdom, a Catholic College and Anglican Cathedrals.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. ANALYSIS OF CHARITABLE FUNDS (continued)

c) Analysis of Permanent Endowment Fund Movements

	For the year ended 31 March 2023			
Curia	**At 1 April 2022 £'000**	**Income £'000**	**Expenditure £'000**	**At 31 March 2023 £'000**
Priests' Training Fund	**750**	**22**	**(22)**	**750**
Poor Mission Fund	**82**	**2**	**(2)**	**82**
Leeds Cathedral Music Fund	**150**	**6**	**(4)**	**152**
Mass Intentions Account	**41**	**1**	**(1)**	**41**
Total Endowment Funds	**1,023**	**31**	**(29)**	**1,025**

	For the year ended 31 March 2022			
Curia	At 1 April 2021 £'000	Income £'000	Expenditure £'000	At 31 March 2022 £'000
Priests' Training Fund	750	22	(22)	750
Poor Mission Fund	82	2	(2)	82
Leeds Cathedral Music Fund	150	9	(9)	150
Mass Intentions Account	41	1	(1)	41
Total Endowment Funds	1,023	34	(34)	1,023

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. NET ASSETS

2023

	Parishes Funds			**Curia Funds**				**Total Group and Charity Funds**			
	Unrestricted	**Restricted**	**Total**	**Unrestricted**	**Restricted**	**Permanent Endowment**	**Total**	**Unrestricted**	**Restricted**	**Permanent Endowment**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Tangible Fixed Assets	20,440	-	20,440	10,210	-	-	10,210	30,650	-	-	30,650
Investment Properties	6,318	-	6,318	6,156	-	-	6,156	12,474	-	-	12,474
Fixed Asset Investments	-	385	385	7,587	5,027	1,025	13,639	7,587	5,412	1,025	14,024
Bank Balances: (Cash/(Overdrafts))	6,270	851	7,121	(6,351)	2,188	-	(4,163)	(81)	3,039	-	2,958
Other Net Current Assets/(Liabilities)	764	-	764	(3,831)	-	-	(3,831)	(3,067)	-	-	(3,067)
Inter Parishes and Curia Loans (net)	4,423	-	4,423	(4,423)	-	-	(4,423)	-	-	-	-
TOTAL NET ASSETS	**38,215**	**1,236**	**39,451**	**9,348**	**7,215**	**1,025**	**17,588**	**47,563**	**8,451**	**1,025**	**57,039**

2022

	Parishes Funds			Curia Funds				Total Group and Charity Funds			
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Permanent Endowment	Total	Unrestricted	Restricted	Permanent Endowment	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Tangible Fixed Assets	20,259	-	20,259	9,800	-	-	9,800	30,059	-	-	30,059
Investment Properties	5,850	-	5,850	5,765	-	-	5,765	11,615	-	-	11,615
Fixed Asset Investments	-	400	400	8,270	5,354	1,023	14,647	8,270	5,754	1,023	15,047
Bank Balances: (Cash/(Overdrafts))	6,620	404	7,024	(5,856)	2,428	-	(3,428)	764	2,832	-	3,596
Other Net Current Assets/(Liabilities)	1,875	-	1,875	(4,114)	-	-	(4,114)	(2,239)	-	-	(2,239)
Inter Parishes and Curia Loans (net)	3,876	-	3,876	(3,876)	-	-	(3,876)	-	-	-	-
TOTAL NET ASSETS	38,480	804	39,284	9,989	7,782	1,023	18,794	48,469	8,586	1,023	58,078

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. RELATED PARTY TRANSACTIONS

The Diocese of Leeds Trustee is also the Trustee of one other registered charity, St John's Catholic School for the Deaf.

The Rt Rev Marcus Stock (Chair of the Trustee) is also a Trustee of a registered charity, Catholic Care (Diocese of Leeds). The Leeds Diocesan Trust made payments to Catholic Care in the year ended 31 March 2023 of £11k (2022: £11k) for care and other support services for retired Priests.

The Leeds Diocesan Trust operates a wholly owned trading subsidiary, Hinsley Properties Limited. Rev Mgr P Fisher and Rev Mgr A Summersgill are Directors of both the Diocese of Leeds Trustee and Hinsley Properties Limited.

During the year, the Charity received £50k (2022: £50k) in rents and management fees from Hinsley Properties Limited. At 31 March 2023 £580k (2022: £357k) was payable to the Leeds Diocesan Trust by Hinsley Properties Limited.

In the prior year, a member of Key Management Personnel used Charity systems for a personal procurement of £3k which was fully reimbursed at 31 March 2022.

LEEDS DIOCESAN TRUST

England & Wales - Charity number 249404

Accounts

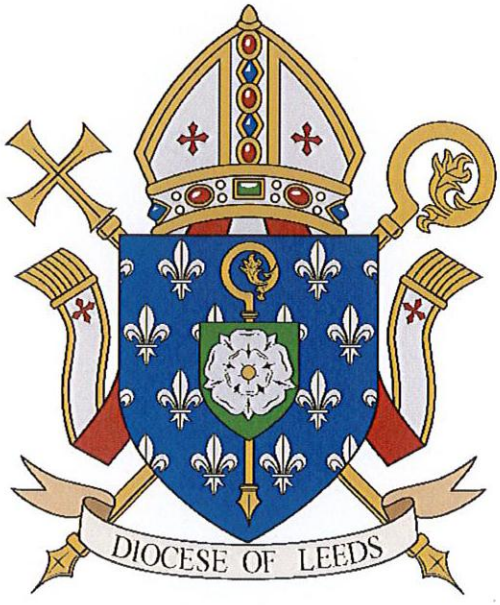
Leeds Diocesan Trust

Registered Charity Number 249404

Report and Consolidated Financial Statements

For the year ended

31 March 2022



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DIRECTORS AND ADVISORS

Trustee

Diocese of Leeds Trustee
(Company registration number 2886244)
Registered Office: Hinsley Hall, 62 Headingley Lane, Leeds. LS6 2BX

Directors of the Trustee

Rt Rev M Stock	(Bishop of Leeds)
Rt Rev Mgr P Fisher	(Vicar General)
Rt Rev Mgr A Summersgill	(Vicar General)
Mr M Booth	(Resigned 22 June 2021)
Mr M Gargan	
Mr P Rogerson	
Mr P McDermott	(Appointed 22 June 2021)

Registered Office

Hinsley Hall, 62 Headingley Lane, Leeds, LS6 2BX

Company Secretary to the Trustee

Mr J Moran

Auditor

Saffery Champness LLP, Mitre House, North Park Road, Harrogate, HG1 5RX

Banker

HSBC Bank plc, 33 Park Row, Leeds, LS1 1LD

Investment Managers

Investec Wealth & Investment, 100 Wood Street, London, EC2V 7AN
Rathbone Investment Management, 1 Curzon Street, London, W1J 5FB

Solicitor

DLA Piper UK LLP, Princes Exchange, Princes Square, Leeds, LS1 4BY

REPORT OF THE TRUSTEE

The Trustee presents its Annual Report and the audited Consolidated Financial Statements of the Charity for the year ended 31 March 2022.

CONSTITUTION AND AIMS

The Charity, the Leeds Diocesan Trust ("the Diocese"), is a registered charity with the registration number 249404. The Charity was established in its current form by a Trust Deed dated 20 December 1993. The sole Trustee of the Charity is a trust corporation, the Diocese of Leeds Trustee, company registration number 2886244.

In support of the Mission of the Catholic Church, the principal objectives of the Charity are:

- the advancement of the Catholic Religion;
- the promotion of Catholic Teaching in the Diocese and beyond;
- the provision and care of Priests; and
- the maintenance of Churches, Presbyteries and Schools.

The Trustee confirms that it has complied with the requirements of the Charities Act 2011 Section 17 to have due regard to the public benefit guidance published by the Charity Commission including the guidance "Public benefit: running a charity (PB2)" in determining the activities undertaken by the Charity. Throughout this Annual Report the Trustee seeks to demonstrate that the Charity's principal aims and objectives are for the public benefit.

The Diocese consists of 78 Parishes, in West Yorkshire, North Yorkshire, the East Riding of Yorkshire, Greater Manchester and Lancashire. The Diocese also has 93 Catholic Schools, Academies and Colleges. Leeds Trinity University, a Catholic Foundation University, is also located within the Diocese.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE

The operation of the Charity is overseen by the Trustee. The Directors of the Trustee are appointed by the Bishop of Leeds who is Chair of the Board. There were four Trustee Board meetings during the financial year.

The Trustee Board under Canon Law is the Diocesan Finance Council.

The Bishop of Leeds and the Vicars General are ex-officio Directors of the Board. All other Directors are appointed for a term of three years which may be renewed, subject to performance and review, for an additional two terms of three years each.

Directors are recruited from senior Clergy and suitably qualified and experienced members of the wider Catholic community. On appointment, new Directors are introduced to their role and responsibilities by the Vicars General and the Company Secretary and are issued with copies of the Trust Deed and the latest financial information. Directors attend formal and informal training sessions on a regular basis.

As disclosed in Note 11 to the Financial Statements, Directors do not receive any payments in respect of their Office. No reimbursement of expenses was paid to the Directors of the Trustee in either the current or prior year.

The Trustee Board, as the Diocesan Finance Council, delegates oversight of the Diocese's day-to-day financial, property, investment and administration matters to the Finance Sub-Committee (the "FSC"). The FSC comprises four members: Rt Rev Mgr A Summersgill (Chair and the Moderator of the Curia) and Rt Rev Mgr P Fisher (both of whom are ex-officio Directors), Rev Mgr K Heskin and Mr T Forbes (both of whom are former Directors). The FSC members are supported and advised by the Company Secretary and Curia Officers.

The FSC meets on a monthly basis and advises the Board on property acquisitions and disposals, significant capital projects, property and overhead expenditures. On a quarterly basis, the FSC reviews the Consolidated Financial Statements and Cash Flow projections of the Diocese.

Reflecting Canon Law, this report separates the Charity's activities between Parish and Curia.

Parishes

The Diocese is divided into distinct Parishes. Parish Priests are appointed by the Bishop to exercise pastoral care for the Parish community, which includes representing the Parish in all juridic affairs and ensuring that the Parish is administered in accordance with the norms of Canon Law, in fulfilment of the aims of the Charity.

As encouraged by the "Directory for the Pastoral Ministry of Bishops", the Bishop, in consultation with Priests and the Faithful, reviews the Parish structure on a regular basis to ensure long-term pastoral sustainability. The Bishop undertakes "Parish Visitations" where he personally reviews each Parish on a rolling five-year programme.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Parishes (continued)

Each Parish is required by Canon Law to have a Finance Council to assist the Parish Priest in the administration of the Parish. Parish Finance Councils (often known locally as the Parish Finance Committee) include Parishioners with knowledge and experience in finance, property management and administration.

Curia

The Curia consists of Departments and Agencies to assist the Bishop in the good governance of the Diocese and to collaborate with Parishes in the Mission of the Catholic Church by fulfilling the Charity's principal objectives. The Curia works with Parishes to ensure that statutory obligations are met and to promote best practice in safeguarding, health and safety and financial management.

The remuneration of Key Management Personnel is disclosed in Note 10 to the Financial Statements. The annual pay award is approved by the Trustee and job roles and remuneration are reviewed periodically.

Safeguarding

The Bishop and the Directors are committed to safeguarding children, young people and adults who may be at risk or vulnerable in accordance with both Civil Law and Church policies.

As part of its commitment to integrate the findings of The Independent Inquiry into Child Sexual Abuse Report and the recommendations of the Elliott Review Report into the life and work of the Church, the Catholic Bishops' Conference of England and Wales (CBCEW) established the Catholic Safeguarding Standards Agency (CSSA) in June 2021.

The CSSA seeks to demonstrate accountability for safeguarding through a National Complaints Policy and nationally led external audit and compliance systems.

The Catholic Church in England and Wales is committed to a "One Church" approach, and all church bodies are required to adhere to 8 national standards:

1. Embed safeguarding in the Church body's leadership, governance, ministry and culture.
2. Communicate the Church's safeguarding message.
3. Engage with and care for those who report having been harmed.
4. Effectively manage all allegations and concerns.
5. Manage and support subjects of allegations and concerns.
6. Implement robust human resource management.
7. Provide access to training and support for safeguarding.
8. Quality assure compliance to continually improve practice.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding (continued)

On 22 June 2021, the Trustee established the Safeguarding Sub-Committee (SSC) to its Board and appointed Mr Patrick McDermott as a Board Director and as Chair of the SSC. The SSC met for the first time on 23 November 2021 and its membership consists of:

- A Vicar General;
- West Yorkshire Police representative;
- Probationary Service representative;
- Safeguarding for Adults representative;
- Safeguarding for Children representative;
- Criminal and other legal specialist.

Safeguarding interventions and support services continued to focus on responding to the needs of victims and/or survivors and where necessary taking prompt action to protect children or adults who may be at risk. Online communication methods are well established between Parish volunteers and Curia staff and were effective in working within the changing Government's Coronavirus Regulations during the year.

The work of the Safeguarding Office is undertaken in accordance with legislation, policy and best practice as stated in the Catholic Church's National Safeguarding Procedures (these are published at https://www.catholicsafeguarding.org.uk/.) The Safeguarding Office also works in collaboration with the Board's SSC. Following an allegation, actions undertaken by the Safeguarding Office include:

- consultation with statutory authorities and referral to regulatory bodies;
- temporary withdrawal of the accused from active ministry for members of the Clergy and from all roles within the Diocese for lay people;
- referral to the CSSA;
- liaison with other Dioceses where cases cross borders;
- consistent reporting to the Trustee's SSC;
- liaison and consultation with Parish Priests and safeguarding representatives; and
- notification to the Company Secretary.

The Safeguarding Office works closely with Parishes on the safer recruitment of any adult whose role and responsibilities include contact with children or adults who may be at risk and as part of this safer recruitment process 664 (2021: 422) Disclosure and Barring Service (DBS) checks were undertaken in the year ended 31 March 2022.

The Safeguarding Office provides a training programme that is delivered locally to Clergy and Parish Safeguarding Representatives.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding (continued)

During the year, Bishop Marcus met with victims of sexual abuse perpetrated by members of the Comboni Missionary Order at their junior seminary in Mirfield, Leeds in the 1960s and 70s. During the meeting Bishop Marcus apologised to the victims:

> *"Those, like me, who have been entrusted with a ministry of leadership in the Church can only begin to contribute to the healing of the wounds of abuse if we are ready to listen with humility and a compassionate heart to those, like you, who seek to share their experiences and their sufferings with us. We must be prepared personally to sit face-to-face with you and to hear your stories. For many like you who have been abused, this response is the only way that your pain can genuinely be heard, and your dignity properly be respected."*

Bishop Marcus' full statement is available on the diocese website: www.dioceseofleeds.org.uk/comboni-survivors-receive-bishops-apology-from-the-heart/.

Post year end, on the 13 June 2022 members of the Comboni Survivors' Group, accompanied by Bishop Marcus, attended a private audience with His Holiness Pope Francis.

In April 2022, at the conclusion of a two week trial at Leeds Crown Court, Bishop Marcus commented on the conviction of a priest of the Diocese:

> *"As the bishop and shepherd of the Diocese of Leeds, I wish to express my deep shame and sorrow for the crimes committed by Fr Smythe and to express my profound apologies to the survivors, who are now adults, for the abuse they suffered as children and the pain which they have carried over the course of their lives as a consequence of such grave offences. I thank you for the courage which you have shown in coming forward and bringing these crimes to justice. Our thoughts and prayers are with you and your families."*

Health and Safety

The Trustee keeps under review its Health and Safety Policy and works with Health and Safety professionals to ensure that its processes and procedures follow best practice.

The day-to-day management of the Diocese's Health and Safety Policy is undertaken by the Curia's Property Department which includes a full-time Health and Safety professional. The Curia's Property Department visit each Parish regularly to ensure that it meets all its Health and Safety obligations and, in line with Bishop Marcus' shared services vision, it provides practical bespoke support to Parish Priests in the management of their property portfolios.

During the year, the Diocese made significant improvements in its asbestos management and the safety management of its gas and electrical installations.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Fundraising

The majority of funding is received from Parishioners principally through the weekly Offertory collection, planned giving, special collections and fundraising activities.

Bishop Marcus and the Directors express their sincere thanks and gratitude for the continuing generosity of Parishioners both during the lockdown and in these more recent times when there are increasing pressures on household budgets.

The Diocese is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice. The Diocese does not employ outside agencies to raise funds. In both the current year and the prior year no complaints were received in respect of fundraising.

The disruption and uncertainty associated with the changing nature of Government Coronavirus Regulations during the year, as well as a genuine apprehension of attending public gatherings, has had an impact on Offertory collections. The fall in Offertory collections has been mitigated by the provision of online donation facilities on the Diocesan and individual Parish websites, the promotion of Standing Orders, text giving, and the introduction of cashless giving devices in Churches.

Internal Financial Reporting and Planning

The Diocese's internal Financial Reporting systems and processes provide assurances to the Trustee, Curia Senior Management, Parish Priests and Parish Finance Committees on the integrity of the financial accounting and governance procedures within Curia Departments and Parishes. Quarterly Consolidated Financial Statements are presented to the Board.

The Charity's Risk Register is reviewed by the FSC on a quarterly basis. The Curia Finance Department works closely with individual Curia Departments and Parishes to mitigate any identified risks.

The Curia Finance Department works with Parishes, to develop their local financial strategy and plans, in order that they can both meet their day-to-day operational commitments and plan for larger non-recurring costs which are typically associated with the repairs and maintenance or upgrade of their property portfolios.

Volunteering

Volunteers play a central role in fulfilling the Mission of the Church in the Diocese (whose roles are a public benefit as articulated in the Charity's principal objectives). Parish volunteers are involved in all aspects of the spiritual, pastoral and social life of their Parish communities. Volunteers serve as Eucharistic Ministers and Catechists, welcomers, altar servers, musicians and cleaners. Within the wider Parish there are volunteers visiting the sick, the housebound and those on the margins of society as well as providing very practical support through operating food banks and delivering Christmas hampers. These ministries are often carried

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Volunteering (continued)

out with the co-operation of other Catholic charities such as CAFOD and the Society of St Vincent de Paul (SVP).

Volunteers also play a significant role in the governance, financial, and property management of their Parishes. Volunteers working in Curia agencies such as the Justice and Peace Commission, Caritas Leeds and St Patrick's Mission provide vital support to the most disadvantaged members of society throughout the Diocese, often engaging with Government and other national agencies and forums. This public benefit work is carried out irrespective of the faith, sexual orientation or ethnic background of those in need.

During the year over 80 Parishioners volunteered to act as facilitators for the "Listening Project: Parish to Mission and the Synod of Bishops 2023" (as outlined on page 18). This was a major commitment involving training days at Hinsley Hall before facilitating listening sessions in Parishes other than their own.

Bishop Marcus is grateful to the British Province of the Society of Jesus for providing the training of the volunteer facilitators and for the dedication of those volunteer facilitators in ensuring the success of the Listening Project.

It is not possible, given the diverse and interrelated work of volunteers, to quantify the number of volunteers in Parishes and Curia Agencies and therefore to estimate the financial value of their work in delivering the Charity's principal objectives. As an indicator of this financial value, however, a national survey undertaken in 2020 by the National Churches Trust estimated that each church in the United Kingdom averages 214 volunteer hours per month. On that basis employment costs at the foundation living wage would be the equivalent of over £2,000 per church per month.

All the Diocese's volunteers are DBS checked to the appropriate standards according to the roles they are undertaking. Parish Safeguarding Representatives work with the Safeguarding Office to ensure that all volunteers meet current DBS standards and incorporate best safeguarding practices in carrying out their Ministries.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE

A review of the Charity's principal charitable objectives is outlined below. The review excludes its trading subsidiary undertaking, Hinsley Properties Limited. The subsidiary undertaking manages the Diocese's Pastoral Centre and Curial offices. It undertakes commercial activities to support the Charity's principal objectives. The trading performance of Hinsley Properties Limited is reported in Note 15(b) to the Financial Statements.

1. Advancement of the Catholic Religion

The Diocese supports and encourages the promotion of the Catholic Religion at a local, national and international level.

Faith is nurtured and expressed by the Faithful within their Parishes. The Diocese's charitable objectives are carried out in the day-to-day works of Parishes supported by Curia Departments and Agencies. The majority of the funds in the Diocese are raised and expended within individual Parishes.

During the year, the levels of restrictions caused by the Government's Coronavirus Regulations were subject to frequent change. When formal restrictions were lifted, there continued to be different levels of confidence amongst Parishioners in attending Mass and other liturgies. Parish pastoral and social events were also slower to return to the pre-pandemic levels that were typical before March 2020. A Sunday Mass count taken in October 2021 reported an attendance of 14,616, a fall of 42% compared to the last pre-pandemic Sunday Mass count of 24,829 in October 2019. Mindful of the concerns that Parishioners continued to express, the Bishops of England and Wales delayed the re-introduction of the obligation of the Faithful to attend Sunday Mass until Pentecost Sunday on 5 June 2022.

Across the Diocese many initiatives were put in place to enable Priests and Parishioners to provide spiritual and pastoral support within the constraints of the Government's Coronavirus Regulations, with some Parishes continuing to live stream Mass and other liturgies. Sunday Mass livestreaming from Leeds Cathedral continues to be popular with 90,000 visits to the livestreaming website (www.LeedsCathedralLive.org.uk) during the year and 790,000 visits since it was introduced in March 2020. The Parish of The Sacred Heart and St William in Uppermill regularly has 6,000 people from Nicaragua joining their Sunday Mass livestream.

In Parishes, Second Collections are taken to support the work of the Church nationally and internationally (Peter's Pence, Stella Maris, World Mission Sunday (APF), Racial Justice, Peru Mission, Day for Life, the Catholic Education Service and Catholic Communication) and within the Diocese (Poor Mission Fund, Catholic Care, Retired Clergy Fund, Priest Training Fund, Lourdes Fund, Youth Services and Home Mission Sunday). Second Collections are disclosed collectively as a Restricted Fund in Note 20(b) to the Financial Statements.

Parishes are engaged in local initiatives with other charitable organisations whose objectives are compatible with the Charity, many Parishes have CAFOD and SVP groups. Financial support to these organisations is provided through local second collections and Parish social

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

1. Advancement of the Catholic Religion (continued)

events such as soup lunches (CAFOD Ukraine appeal) or garden parties for charities such as Hosanna House and Children's Pilgrimage Trust (HCPT).

Caritas Leeds is an agency of the Curia established by Bishop Marcus. This is a Diocesan umbrella organisation that co-ordinates the activities of Catholic charities and agencies across the Diocese. Its key objective is putting Catholic Social Teaching into practice through collegiate relationships across the Diocese in the service of the poor. Caritas Leeds co-ordinates its activities through the following forums:

- Criminal Justice Forum;
- Youth Leadership Forum;
- Dementia Friendly Forum;
- Disability Forum; and
- Refugee Support Forum.

Caritas Leeds, working with Parishes and Curia Departments, is committed to supporting refugees. A number of Parish properties have been identified and the Diocese is working with Government Departments and CSAN (Catholic Social Action Network, an agency of the Catholic Bishops' Conference of England and Wales (CBCEW)) to support the housing needs of refugees.

St Patrick's Mission is a centre for Catholic renewal based in the City of Bradford. This is a collaboration between the Diocese and the Franciscan Friars of the Renewal that creates a culture of Catholic spiritual renewal and missionary outreach in Bradford's city centre. It provides concrete works of Christian charity to the poor and destitute through the operation of a soup kitchen and clothing bank, as well as providing opportunities to evangelise those who visit, work, and shop in Bradford's city centre (www.facebook.com/StPioFriary/).

Bishop Marcus expresses his gratitude for the work undertaken by these, and other Catholic and faith-based charities across the Diocese, especially during the time of the pandemic when people have felt more vulnerable.

The Diocese continues to support the work of the Church in Peru. The annual collection for the Diocese's Peru Mission raised £8k (2021: £4k) and grants of £27k (2021: £18k) were made to projects in Peru. Local Parishes also supported the Church's International Outreach work in countries such as Ethiopia, India, Kenya, Pakistan and Zimbabwe.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching

The Diocese has 79 Primary Schools, 12 High Schools, a Sixth Form College, and a non-maintained residential Special School (St John's Catholic School for the Deaf, a registered charity for which the Trustee is also the Trustee). All of these are designated as Catholic Schools.

During the year, 17 Schools converted to Academy Status joining one of the five 'Diocesan Family of Schools' Catholic Multi-Academy Trusts (CMAT). At 31 March 2022, 76 per cent of Diocesan Schools had converted from Voluntary Aided Schools to Academy Status and a further 5 per cent of Diocesan Schools are in the process of converting from Voluntary Aided Schools to Academy Status.

During the year ended 31 March 2022 the Government's Coronavirus Regulations continued to have a significant impact on the education of our children. Bishop Marcus and the Directors are grateful to all school staff who have continued to provide essential support for learning during these difficult times.

The Vicariate for Education is pro-active in its collaboration with national and regional statutory bodies including Ofsted, the Regional Schools Commissioner, and Local Authorities to promote the highest educational standards throughout Diocesan Schools.

The Episcopal Vicar for Education is grateful to all those who volunteer to be Trust Directors and School Governors, their contribution is essential in ensuring that the Mission of the Church in Schools in proclaiming the Gospel is fulfilled.

During the year, the Trustee assigned two Chaplaincy properties to Notre Dame Sixth Form College to enable it to provide classroom accommodation for its new T Level studies programme.

The Vicariate for Education, supported by the Catholic Education Service, works closely with Schools in ensuring that a Catholic Ethos runs throughout the character of our Schools and in the provision of a Religious Education syllabus. The Vicariate for Education is working with Schools on developing a new Religious Education Curriculum Directory, a new Catholic School Inspection Framework and a Prayer and Liturgy Directory.

The Vicariate for Education works with RE Today (a Christian based educational charity) to provide a Continuing Professional Development programme for Religious Education teachers in Primary Schools. Training days facilitated by RE Today take place at Hinsley Hall. These are supplemented by regular on-line sessions and by making continuous improvements so that teaching resources are relevant and effective.

The Vicariate for Education produces resources for Parishes to deliver catechesis programmes and outreach, these have proved popular with families and catechists. Family Catechesis (both

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

in person and online) continues to be an excellent model for engaging parents and other family members in the faith journey of their children.

The Bishop's Certificate in Catechesis was launched during the year and 25 Parishioners have enrolled on the first level of a three level programme. Two Parishioners were awarded the Loyola Certificate for Parish Ministry and a further three Parishioners are studying towards the Certificate. Bishop Marcus commends the Parish Catechists for their dedication to their ministry during these challenging times.

A series of talks 'Life Transfigured: Catholic Faith and the Arts' is taking place during 2022 at Hinsley Hall and Wheeler Hall. Guest speakers are exploring how faith and the arts interact through talks and workshops.

The Vicariate for Education continued to develop its online resources suitable for both personal and group use. New projects commenced in the year include 'Exploring Vatican II', 'The Church that Follows Jesus Christ', and 'The God Who Speaks: Encountering the Living God'. The 'Our Faith', 'Sacramental Preparation' and 'Parish Ministry' sections of the Vicariate for Education's website www.dioceseofleeds.org.uk/education/ have been substantially revised and work is beginning on new resources for the Rite of Christian Initiation of Adults (RCIA) programme. These online resources complement the formation days for Catechists, Leaders of Children's Liturgy of the Word and Eucharistic Ministers at Hinsley Hall.

The Youth Team continues to work with Bishop Marcus in supporting the Diocesan Youth Leadership Team of 13-18 year olds, "The Twelve". Named after the Twelve Apostles, they are young people committed to their faith who meet together for formation, fellowship and discussion. The Twelve's role is to collaborate with Bishop Marcus to give a voice to young people in the Diocese's decision-making on fulfilling the Mission of the Church. The Twelve are reviewing the strategic plan of the Youth Service, they assisted with the planning of The Eucharistic Procession, which took place on 15 May 2022 and they are working with the Diocese's Justice and Peace Commission, led by Sir John Battle, on practical Catholic Social Teaching projects for young people.

At a national level the Youth Team works with the Catholic Youth Ministry Federation (CYMFed) on the Flame Congress which will take place on 4 March 2023 at Wembley Arena. The Youth Team are collaborating with other Dioceses to enable young people to participate in the World Youth Day in Lisbon in August 2023.

Key to fulfilling the Diocese's youth ministry is the development of a social media strategy with the Director of Communications to enable the Youth Team to engage with young people in our Parishes and Schools.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

The Schools Singing Programme is a collaboration between our Schools, Parishes, and the Curia Music Department. Established in 2003, the Programme delivers training in liturgical music to 6,000 (2021: 4,500) children each week in 66 (2021: 53) Diocesan Schools (60 primary schools, 5 secondary schools and Notre Dame Sixth Form College) and comprises more than 100 choral groups. The Curia Music Department's principal strategies are evangelisation and inclusion. These strategies are achieved by focusing on the participation of young people in their Parish life and their School Acts of Worship. Children participate in liturgical celebrations in Leeds Cathedral and in Parish Churches, concerts, public broadcasts (BBC Songs of Praise filmed in March 2022), and musical festivals. The Curia Music Department has regular articles published about its work and events by the Catholic Universe, the Royal College of Organists and Music Mark (the national association of music hubs).

Many schools are located within communities ranking amongst the 10 per cent most-deprived communities nationally and the Curia Music Department is committed to ensuring that the Church's patronage of the arts is available to all, fostering catechesis, individual aspiration and collective flourishing.

The Hamish Ogston Foundation is providing significant grant funding for two, five-year. collaborative projects, to enable the Curia Music Department to expand its Schools Singing Programme into all schools across the Diocese and by the creation of a National Schools Singing Programme (NSSP) (www.nssp.org.uk); a collaboration with Dioceses throughout the United Kingdom to establish their own School Singing Programmes.

The grant funding received from the Hamish Ogston Foundation and the associated expenditure are disclosed as a Restricted Fund in Note 20(b) to the Financial Statements. Included in the year ended 31 March 2022 grants of £650k (2021: £Nil) were paid to 25 Dioceses and one independent Catholic college and grant funding of £230k (2021: £Nil) was used to support the expansion of the Diocese's own Schools Singing Programme. Senior members of the Music Department work with these Dioceses and the college to support them in creating their own programmes based on the Diocese's model. Foundation grant funding enabled the Curia's Music Department to fund the salaries of five Choral Directors. 16 Schools joined the Diocese's Schools Singing Programme in the year and new junior after-school choirs were established in Keighley, Bingley, Harrogate and Ripon. Two further Choral Directors have been recruited for the academic year commencing in September 2022.

The first NSSP conference was held at Hinsley Hall, the Diocese's Pastoral Centre, in March 2022. A NSSP curriculum is being developed which will be aligned to the Government's new Model Music Curriculum (MMC). This will be an essential tool to enable Dioceses to establish their own on-going sustainable relationships with their Schools. Bishop Marcus is grateful for the support that the Hamish Ogston Foundation is giving both to this Diocese and the Catholic Church throughout the United Kingdom in this important area of evangelisation.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

In January 2022 a partnership was established with The Sixteen, an internationally-renowned choir that inspires children from diverse backgrounds to consider a career in, and broader participation in, the arts. This new partnership compliments the excellent partnerships with the Gabrieli Consort, the University of Texas at El Paso and Vanderbilt.

Post year end, in May 2022, The Leeds Cathedral Choir was awarded a significant grant from the Cathedral Music Trust. The grant funding will support four new Choral Scholarships. The Choir's success has its roots in the Schools Singing Programme. Bishop Marcus described the Schools Singing Programme as "*one of the most effective forms of evangelisation I have seen and experienced*".

The Keyboard Studies Programme has developed a pathway programme for children to learn a keyboard musical instrument. 830 children are learning to read music whilst playing the melodica, before advancing to the accordion, (these are low cost, durable and portable musical instruments). The pathway programme has enabled 35 children to begin organ studies.

The Liz and Terry Bramall Foundation continues to provide grant funding for bursaries so that all children can learn musical instruments, irrespective of their financial circumstances.

The Director of the Keyboard Studies Programme collaborates with the University of Huddersfield as Head of its Organ Studies Programme and is Guest Curator of the Huddersfield Town Hall Organ Festival.

Bishop Marcus is grateful to the Royal College of Organists, the Liz and Terry Bramall Foundation and the University of Huddersfield for their financial and practical support in the development of the Keyboard Studies Programme.

Pope Francis in his Encyclical Letter "Laudato Si': On Care for Our Common Home" called on the Catholic Church to make a significant commitment to the environment as responsible custodians of the earth's resources.

The Diocese was an 'early adopter' among the English and Welsh Dioceses in obtaining electricity and gas from renewable sources. The purchase of the Diocese's electricity and gas supplies is managed by the Inter-Diocesan Fuel Management Limited (IFM) a company in which the Diocese together with 8 other Catholic Dioceses is an Equity Shareholder (as disclosed in Note 15(b) to the Financial Statements).

This Renewable Electricity and Green Gas strategy continues to be a practical response to Pope Francis' call as expressed in Laudato Si. The Diocese, through IFM, now obtains 100 per cent of its electricity requirements from renewable sources (principally hydro-electric and wind power) and currently 71 per cent of its gas requirement from renewable sources, (for example biogas and syngas) the remaining 29 per cent whilst sourced from fossil fuels is 'offset' by investment in carbon-neutral projects, for example, a clean water project in Eritrea.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

A Diocesan Laudato Si' group encourages, supports and promotes practical and educational environmental initiatives in Parishes and Schools. Laudato Si' Mini-Pilgrimages regularly take place during the year in the Diocese's Myddelton Grange Estate and Calvary, a place that gives witness to conservation activities in farming and forestry.

At a national level, Curia officers are working with their national forums and the Guardians of Creation (a national environmental project between the Diocese of Salford, St Mary's University, and the Laudato Si' Research Institute at Campion Hall, University of Oxford) in developing a Diocesean strategy to achieve a carbon neutral footprint. Further information on the Diocese's environment initiatives can be found on the Diocese's website https://www.dioceseofleeds.org.uk/environment/

3. Provision and Care of Priests

Central to Parish life is the relationship between the Parish Priest, Assistant Priests and Parishioners. The welfare of Priests is defined in Canon Law. Parishes are responsible for the support of their own Priests. During the year, Parishes paid £615k (2021: £561k) in allowances and offerings, £302k (2021: £297k) in housekeeping costs and £114k (2021: £74k) in travel expenses to Priests.

Key to sustaining the advancement of the Catholic Religion is the promotion and support of vocations to the Priesthood and the Permanent Diaconate.

The Vocations Director engages with men and women discerning vocations to the Priesthood, Religious and Consecrated Life. This is achieved through individual accompaniment, discernment groups and through both the University Chaplaincies and the High Schools in the Diocese. A monthly 'open house' for reflection and informal conversation takes place on the last Wednesday of the month in Hinsley Hall.

Currently the Diocese has six (2021: five) men training for the Priesthood. In the year ended 31 March 2022, the Diocese invested £122k (2021: £185k) in seminary fees and living allowances. In the year ended 31 March 2022, Parish Second Collections contributed £15k (2021: £6k) to this expenditure.

To support Priests in their ministry, the Directors of Ongoing Spiritual and Pastoral Formation provide a programme of reflection and study consisting of residential and day events. Post year end, in May 2022, the Annual Presbyteral Conference took place at Hinsley Hall. This residential conference (delayed for two years due to the Government's Coronavirus Regulations) facilitated a sense of fraternity that has been missing for so many people during the pandemic.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

3. Provision and Care of Priests (continued)

The Directors of Ongoing Spiritual and Pastoral Formation have established a Mentoring Programme for recently ordained Priests. The programme was developed to provide a more consistent approach to a junior Priest's ongoing pastoral development. Priests with greater experience (mentors) were matched with those more recently ordained (mentees). The programme is now well developed and following their ordination Priests will be assigned a suitable mentor by Bishop Marcus. In March 2022, Directors of Ongoing Spiritual and Pastoral Formation attended a national conference in Rome to examine the Church's 'Ratio Fundamentalis', which encourages Priests to take charge of their own formation from seminary through to retirement. The conference also considered pastoral communication and the use of technology to build on the positive initiatives that helped Clergy to reach the Faithful during the pandemic.

Priests are supported in their full-time ministry by men ordained to the Permanent Diaconate. The Diocese currently has 22 Permanent Deacons (2021: 22), (two are serving in other Dioceses), and seven candidates in formation. Permanent Deacons assist our Priests through teaching, sanctifying and giving pastoral governance in Parishes, and in specific pastoral responsibilities assigned to them by Bishop Marcus.

Permanent Deacons are supported in their training and ongoing formation by the Director for the Permanent Diaconate, the Assistant Director for Deacons, and a Spiritual Director. Training and ongoing formation is provided in a supportive atmosphere being fully mindful of the family and career responsibilities of many of our Permanent Deacons.

The Diocese supports Priests who have retired from active ministry by providing appropriate living accommodation and an allowance to supplement their statutory pensions. Retired Priests receive welfare and other practical support through Catholic Care. This is a bespoke service, tailored to meet the changing needs of each Priest. Bishop Marcus is grateful for the additional support and work undertaken by Catholic Care during the Coronavirus pandemic.

In the year ended 31 March 2022, income of £11k (2021: £3k) was received from Parish Second Collections and £121k (2021: £118k) was received in dividend income (from the Retired Clergy Investment Fund) to support grant payments of £295k (2021: £317k) to retired Clergy.

Directors of Ongoing Spiritual and Pastoral Formation facilitated a Retired Priests Conference in March 2022 at Hinsley Hall. The day consisted of a thoughtful reflection on retirement and presentations from Catholic Care and Curia Officers, on practical support at all stages of retirement. The programme provided plenty of time for social mixing and "catching up" following periods of lockdowns and isolation. Priests retiring from active ministry in the near future also attended the Conference, which enabled them to learn from the experiences of older Priests and hear about the support available to them through the Curia offices and Catholic Care.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

4. Maintenance of Property

Churches and associated Parish buildings play a central role in the spiritual life of Parishioners. These are often significant landmarks and serve as a social hub in their wider communities. Over 90 per cent of the buildings owned by Parishes are more than 50 years old. Collectively, Parishes spent £1,661k (2021: £1,379k) on refurbishments, maintenance and repairs to churches, presbyteries and parish halls during the year. This level of investment equates to 19 per cent (2021: 21 per cent) of Total Parish Operating Expenditure and reflects the importance that the Diocese continues to attach to maintaining its Sacred Places.

During the year, capital expenditure of £514k (2021: £1,801k) was invested in Churches, principally at St Wilfrid's, Church Ripon and at St Cuthbert's and First Martyrs of Rome, Bradford.

The Property Department works with the Historic Churches Committee (a statutory body established under the Ecclesiastical Exemption (Listed Buildings and Conservation Areas) (England) Order 2010) to oversee and approve all building works on Listed Places of Worship. The Property Department also works with the Diocesan Art, Architecture and Heritage Committee which considers all applications to undertake building works on Diocesan properties. Members of the Committees are drawn from the Clergy, Lay Professionals, Local Authority Planning Departments and the Amenity Societies. The Property Administrator acts as Secretary to these Committees.

Parish volunteers, supported by Curia Property and Finance Departments have been instrumental in local fundraising and securing grant funding towards financing property projects. Grants awarded in the year include £323k from Historic England for essential structural works at St Cuthbert's, Bradford and St Joseph's, Pontefract, both of which are Grade 2* listed buildings. During the year the National Lottery awarded grants of £110K for Community Facilities in 11 different Parishes and £48k was received in grants from the Benefact Trust for projects in 18 different Parishes. The Curia also makes appropriate applications, on behalf of Parishes, to the Listed Places of Worship (LPW) Grant Scheme. This Scheme awards grants based on the VAT element of expenditure incurred in the repair of Listed Churches.

The Curia works with a dedicated team of external property professionals including experienced Architects and Chartered Surveyors. The team collaborates with Parishes and Schools to ensure that refurbishments, maintenance, and repairs take full account of the needs of the users of these properties, the historic architecture of the buildings, the requirements for accessibility for Parishioners and Pupils with disabilities, and that they meet all current Health and Safety legislation. As disclosed on page 6, the Curia Property Department manages the delivery of the Diocese's Health and Safety Policy.

REPORT OF THE TRUSTEE (continued)

LISTENING PROJECT: PARISH TO MISSION and the SYNOD OF BISHOPS 2023

In September 2019, at a meeting of the Diocesan Pastoral Council, Bishop Marcus initiated a Synodal process to assist in planning for the future Mission of the Church in the Diocese. A Steering Group was established to facilitate this process. The lockdown restrictions delayed the process and in early May 2021, Bishop Marcus announced the process of the listening project to the Council of Priests. Subsequently on 20 May 2021, Pope Francis published his mandate for the Universal Church to engage in the preparatory work for a Synod of Bishops in 2023 entitled "For a Synodal Church: Communion, Participation, Mission". The link between the two initiatives enabled a common listening exercise to take place across the Diocese, firstly for the Synod of Bishops, and secondly a supplementary listening exercise for the Diocese's Parish to Mission.

Bishop Marcus in his September 2021 pastoral letter, "From Parish to Mission and the Synod of Bishops 2023" invited the Diocese to pray that:

> *"Almighty God will grant us the Spirit of Wisdom to discern His will for the Church in this diocese and to understand how we can serve Him more completely in the work of evangelisation."*

The Vademecum for the Synod on Synodality, by the General Secretariat of the Synod of Bishops, defined the Synodal aims as:

> *"processes of listening, dialogue, and community discernment, in which each and every person can participate and contribute."*

The processes adopted by each Diocese had to ensure that:

> *"the maximum inclusion and participation, reaching out to involve the greatest number of people possible, and especially those on the periphery who are often excluded and forgotten"*; and that *"participation in the listening process treats each person equally, so that every voice can be duly heard."*

A meeting took place in every Parish and were attended by a total of 1,149 Parishioners. 709 group surveys were completed, involving 3,901 people. The Steering Group also received over 40 written submissions.

The insights identified by participants were grouped around five themes:

- Listening,
- Leadership,
- Participation,
- Formation, and
- Communication.

REPORT OF THE TRUSTEE (continued)

LISTENING PROJECT: PARISH TO MISSION and the SYNOD OF BISHOPS 2023 (continued)

Post year end, a report entitled "Synodal Synthesis Report – Diocese of Leeds" was presented to Bishop Marcus at a Mass at Leeds Cathedral by two members of The Twelve, on Saturday 2 April 2022.

In response to the synodal process undertaken during the year, Bishop Marcus commented:

> *"The years ahead will present many challenges and there will be a need for generosity in letting go of some of the models and structures that have been held dear but there will also be new opportunities for the Diocesan family to come to know Our Lord and Saviour Jesus Christ more intimately, to serve him in new and courageous ways and to bring others to him."*

The report has been published on the Diocese's website: Synthesis of Synodal Report - From Parish to Mission (dioceseofleeds.org.uk) and has been submitted to the CBCEW and it will form part of the National Synthesis for the Synod of Bishops meeting in October 2023.

The Steering Group has commenced the supplementary listening exercise, from Parish to Mission, to help identify the pastoral priorities for our parishes, deaneries and the Diocese as a whole. Based on Evangelii Gaudium (Pope Francis' Apostolic Exhortation to proclaim the Gospel in today's world) that a Parish is a place for growth of Christian life, charitable outreach, worship and celebration, Parishes were asked to consider three questions:

- What, within our current practice as a Parish and Diocese, helps to fulfil this vision?
- What would our Parish and Diocese look like if this vision was being fully lived?
- What practical steps can we take to move towards that fully lived reality?

During the forthcoming year the Steering Group will synthesise the thoughts and views shared by Parishioners. The Steering Group supported by Curia Departments will then engage with Parishes and Deaneries to develop pastoral plans appropriate for their local communities.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW

The table below summarises the financial activities of the Parishes and Curia during the year.

	2022	2021
	£'000	£'000
Parishes		
Income	**8,699**	5,802
Expenditure	**(5,998)**	(5,194)
	2,701	608
Diocesan Assessment	**(1,153)**	(1,296)
Transfers	**25**	(15)
Surplus/(Deficit)	**1,573**	(703)
Net (Losses)/Gains on the Sale and Revaluation of Assets	**(439)**	3,151
Increase in Reserves	**1,134**	2,448
Curia		
Income	**3,653**	2,636
Diocesan Assessment	**1,153**	1,296
Transfers	**(25)**	15
Expenditure	**(5,896)**	(4,216)
Deficit	**(1,115)**	(269)
Net Gains on the Sale and Revaluation of Assets	**1,282**	3,416
Increase in Reserves	**167**	3,147
Total Group Increase in Reserves	**1,301**	5,595

Details of the income and expenditure are shown in the Consolidated Statements of Financial Activities on pages 31 and 32.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

The Diocese continues to comply with current statutory requirements and its governing documents.

The total income for the Diocese in the year was £12,352k (2021: £8,438k) an increase of 46 per cent (2021: a decrease of 25 per cent). The largest individual component of income is from Offertories amounting to £3,781k (2021: £3,240k) a rise of 17 per cent (2021: a decrease of 22 per cent) compared with the prior year. Due to the Coronavirus pandemic, churches were either closed or had restricted opening during the first part of the financial year and were only able to re-open free of restrictions later in the year. Income from Donations, Gifts and Legacies, which is less predictable, was £1,779k higher (2021: £262k lower) than the prior year.

The total expenditure in the year was £11,894k (2021: £9,410k) an increase of £2,484k compared with the prior year, which includes £718k (2021: £Nil) for an exceptional property write down and grants paid to other Catholic Dioceses in the United Kingdom of £650k (2021: £Nil). The Total Cost of Raising Funds is analysed in Note 5 to the Financial Statements and Charitable Expenditure is analysed in Note 6 to the Financial Statements. Expenditure continues to be tightly managed and remains focused on delivering the Diocese's charitable objectives.

The operational surplus in the year was £458k (2021: Deficit £972k) and Net Resources increased in the year by £1,301k (2021: £5,595k).

As disclosed in Note 1 to the Financial Statements (Accounting Policies 1.12), occupied School properties are valued at £Nil (2021: £Nil) as the Directors consider these properties to be inalienable and as disclosed in Note 7 to the Financial Statements, during the year a Chaplaincy property was re-assigned to be occupied by a School. The carrying value of the property was written down to £Nil. The Directors consider this re-assignment to be in the best interests of the Charity's commitment to fulfilling its Promotion of Catholic Teaching principal objective.

At 31 March 2022, the Diocese reported a net cash position of £3,596k (2021: £2,077k). The Cash Flow Statement on page 34 reports a net increase in cash and cash equivalents of £1,519k (2021:decrease of £57k), a net cash outflow from Operating Activities of £132k (2021: outflow £120k) and a net cash inflow from Investing Activities £1,651k (2021: inflow £63k).

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Investment Policy and Performance

The Trust Deed authorises the Trustee to make and hold investments using the general funds of the Diocese. The Diocese's funds are managed in one general fund (Main Fund) and four specific funds (Priests' Retirement Fund, Batley Carr Cockrem Fund, Episcopal Mensa Fund and Music Fund). The Diocese operates an ethical investment policy and has agreed an investment strategy with its investment managers. The Investment Managers oversee the funds and their portfolio of investments on a discretionary basis within these guidelines. The Investment Managers provide quarterly reports and meet with the FSC annually to review fund performance and to consider the investment outlook.

The market value of investments reported in the Financial Statements at 31 March 2022 was £15,047k (2021: £14,569k). The movements are analysed in Note 15 to the Financial Statements. The main components comprise investment income generated of £318k (2021: £285k), cash withdrawn of £181k (2021: £281k) and profits arising on the sale of investments of £78k (2021: £341k). The unrealised gain on revaluation of £350k (2021: gain £2,832k) reflects the Markets' recovery from their initial reaction to the expected economic impact of the Coronavirus pandemic. No capital drawdowns were made in the year ended 31 March 2022 which helped prevent losses being realised on our investment portfolios. Working with Investment Managers and using cash forecasts, drawdowns will be managed to mitigate exposure to short term market fluctuations. At the date of signing this report the market value of investments has decreased by 10 per cent compared with 31 March 2022.

The Diocese holds a portfolio of investment properties that are held either for a long-term rental income stream or are no longer required for meeting its principal charitable objectives and are, therefore, planned for long-term sale.

Reserves Policy

The Total Funds of the Diocese at 31 March 2022 were £58,078k (2021: £56,777k) of which £39,284k (2021: £38,150k) related to Parishes and £18,794k (2021: £18,627k) related to the Curia and the subsidiary undertaking.

The Reserves Policy of the Diocese is to hold a value equivalent to at least three months of Total Operating Expenditure which is equivalent to £2,547k for the year ended 31 March 2022 (2021: £2,162k) as Free Reserves. Free Reserves are defined as Unrestricted Funds less Tangible Fixed Assets. Funds invested in Tangible Fixed Assets are excluded from Free Reserves as these funds cannot be released without undermining the Diocese's ability to fulfil its principal charitable objectives. At 31 March 2022, Free Reserves were £18,410k (2021: £16,175k) and represented eighteen months (2021: twenty months) of Total Operating Expenditure. The Directors consider that this level of Free Reserves is reasonable, especially at the present time, to enable the Diocese to fulfil its immediate financial obligations and commitments and to plan for future investment requirements. This includes the training of

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Reserves Policy (continued)

Seminarians, Priests and Permanent Deacons, the welfare needs of retired Priests and the maintenance of the Diocese's Places of Worship.

Total Funds included £1,023k (2021: £1,023k) in Permanent Endowment Funds and £8,586k (2021: £8,646k) in Restricted Funds. The allocation of Permanent Endowment Funds and Restricted Funds is determined by the wishes of the donors and is disclosed in Note 20 (b) to the Financial Statements. Unrestricted Funds of £48,469k (2021: £47,108k) comprise Designated Funds in Parishes of £38,480k (2021: £37,348k) and General Funds in the Curia of £9,989k (2021: £9,760k). Designated Funds in Parishes ensure the financial sustainability of each Parish and will be expended over the life of that Parish.

Subsidiary Trading Company

The Diocese holds an investment in a wholly owned trading subsidiary, Hinsley Properties Limited. The Directors of this subsidiary company are appointed from the Directors and Officers of the Trustee. Hinsley Properties Limited was formed to manage the Diocesan Pastoral Centre at Hinsley Hall and an investment property, Cathedral Chambers. The Diocesan Pastoral Centre is also used by the wider national Catholic community. As disclosed in Note 15(b) to the Financial Statements, during the year the company generated a turnover of £614k (2021: £34k) and reported an operating loss of £252k (2021: loss £388k). The trading subsidiary, which derives turnover from the wider Hospitality Sector, has been adversely affected by the restrictions arising from the Coronavirus pandemic. The retained loss for the year of £252k (2021: £88k) has been taken to the consolidated unrestricted reserves

Risk Management

The Trustee considers and assesses the major risks to which the Diocese is exposed by a quarterly review of its Risk Register. This includes strategic, financial, operational and reputational risks. The Trustee implements policies and procedures in order to mitigate or minimise these risks and also monitors the effectiveness of its risk management processes.

The most significant short-term risk to the Charity is the pace at which it returns to full pastoral and operational activities following the lifting of all Government restrictions. There is also a corresponding impact on the cash based component of the Charity's income. During the year, the Curia continued to work with Parishes replacing this lost cash income. The expenditure commitments of the Charity continue to be reviewed to offset the impact of this lost income.

Financial Strategy

The current Financial Strategy provides the Charity with the financial flexibility it requires to deliver its charitable objectives. The Strategy's working capital enables Parishes, Curia departments and Diocesan agencies to operate efficiently. The Strategy includes the efficient management of the Charity's financial assets by maximising the income and capital growth of

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Financial Strategy (continued)

these financial assets in line with the Charity's ethical investment policy and minimising interest costs through the management of its cash position.

The Financial Strategy has been modified to enable the Charity to react to the fast-moving impact of the Coronavirus pandemic in both the current year ended 31 March 2022 and the prior year ended 31 March 2021 on its income streams and to ensure it can meet its current liabilities.

Having carried out an eighteen-month cash flow forecast which included Stress Testing the cash income of the Charity, the Directors are satisfied that the Charity has sufficient flexibility within its financial assets and its existing bank facilities to enable it to continue to deliver its charitable objectives.

Approved by the Trustee on 21 June 2022 and signed on its behalf by:

Rt Rev M Stock
Bishop of Leeds
Director

TRUSTEE'S RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors of the Trustee are responsible for preparing the Trustee's Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Charitable Group will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the Financial Statements comply with the Charities Act 2011 and applicable accounting regulations. It is also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST

Opinion

We have audited the financial statements of the Leeds Diocesan Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and 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).

In our opinion the Financial Statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2022 and of the group's and the parent charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the 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 Trustee with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Other Information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters 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 Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; 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 the Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 25, the Trustee is 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 Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the group and the 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 Trustee either intends to liquidate the group or the parent charity or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Auditor's responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustee, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with the Trustee and updating our understanding of the sector in which the group and parent charity operate.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Auditor's responsibilities for the Audit of the Financial Statements (continued)

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Use of our report

This report is made solely to the parent charity's Trustee, 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 parent charity Trustee 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 parent charity and the parent charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

18/7/22

Saffery Champness LLP
Chartered Accountants and Statutory Auditors
Mitre House
North Park Road
Harrogate
HG1 5RX

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 2022

	Note	Parishes			Curia and Subsidiary				Group
		Designated Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000	Total Funds £'000
Income and Endowments from:									
Donations, Legacies and Grants	2	6,748	1,234	7,982	229	1,255	6	1,490	9,472
Charitable Activities	3	72	-	72	767	-	-	767	839
Trading Activities		637	-	637	646	-	-	646	1,283
Investment Income	4	-	8	8	419	127	28	574	582
Other Income		-	-	-	176	-	-	176	176
Total Operating Income		**7,457**	**1,242**	**8,699**	**2,237**	**1,382**	**34**	**3,653**	**12,352**
Expenditure on:									
Total Cost of Raising Funds	5	-	-	-	986	-	-	986	986
Charitable Expenditure	6	4,726	1,272	5,998	2,593	1,565	34	4,192	10,190
Charitable Expenditure - Asset Impairment	7	-	-	-	718	-	-	718	718
Total Operating Expenditure		**4,726**	**1,272**	**5,998**	**4,297**	**1,565**	**34**	**5,896**	**11,894**
		2,731	**(30)**	**2,701**	**(2,060)**	**(183)**	**-**	**(2,243)**	**458**
Gross Transfer between Funds		(1,153)	25	(1,128)	1,153	(25)	-	1,128	-
Net Operating Income/(Expenditure)		**1,578**	**(5)**	**1,573**	**(907)**	**(208)**	**-**	**(1,115)**	**458**
Net Gains on Investment Assets		10	7	17	272	146	-	418	435
Net Gains on the Sale of Investment Properties		50	-	50	21	-	-	21	71
Net Income/(Expenditure)		**1,638**	**2**	**1,640**	**(614)**	**(62)**	**-**	**(676)**	**964**
Revaluation of Investment Properties		(506)	-	(506)	843	-	-	843	337
Net Movement in Funds	12	**1,132**	**2**	**1,134**	**229**	**(62)**	**-**	**167**	**1,301**
Reconciliation of Funds:									
Total Funds brought forward		37,348	802	38,150	9,760	7,844	1,023	18,627	56,777
Total Funds carried forward		**38,480**	**804**	**39,284**	**9,989**	**7,782**	**1,023**	**18,794**	**58,078**

All activities are from continuing operations. The Notes from page 35 to 60 form part of these Financial Statements. There were no recognised gains or losses for the year ended 31 March 2022 other than those included in the Consolidated Statement of Financial Activities. The results of Hinsley Properties Limited are included in Curia Unrestricted Funds.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 2021

	Note	Parishes			Curia and Subsidiary				Group
		Designated Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000	Total Funds £'000
Income and Endowments from:									
Donations, Legacies and Grants	2	4,619	694	5,313	562	535	2	1,099	6,412
Charitable Activities	3	38	-	38	820	-	-	820	858
Trading Activities		446	-	446	92	-	-	92	538
Investment Income	4	-	5	5	476	124	25	625	630
Total Operating Income		**5,103**	**699**	**5,802**	**1,950**	**659**	**27**	**2,636**	**8,438**
Expenditure on:									
Total Cost of Raising Funds	5	-	-	-	761	-	-	761	761
Charitable Expenditure	6	4,696	498	5,194	2,887	543	25	3,455	8,649
Total Operating Expenditure		**4,696**	**498**	**5,194**	**3,648**	**543**	**25**	**4,216**	**9,410**
		407	**201**	**608**	**(1,698)**	**116**	**2**	**(1,580)**	**(972)**
Gross Transfer between Funds		(1,296)	(15)	(1,311)	1,243	68	-	1,311	-
Net Operating (Expenditure)/Income		**(889)**	**186**	**(703)**	**(455)**	**184**	**2**	**(269)**	**(972)**
Net Gains on Investment Assets		-	86	86	2,181	906	-	3,087	3,173
Net Gains on the Sale of Fixed Assets and Investment Properties		788	-	788	-	-	-	-	788
Net (Expenditure)/ Income		**(101)**	**272**	**171**	**1,726**	**1,090**	**2**	**2,818**	**2,989**
Revaluation of Investment Properties		2,277	-	2,277	329	-	-	329	2,606
Net Movement in Funds	12	**2,176**	**272**	**2,448**	**2,055**	**1,090**	**2**	**3,147**	**5,595**
Reconciliation of Funds:									
Total Funds brought forward		35,172	530	35,702	7,705	6,754	1,021	15,480	51,182
Total Funds carried forward		**37,348**	**802**	**38,150**	**9,760**	**7,844**	**1,023**	**18,627**	**56,777**

All activities are from continuing operations. The Notes from page 35 to 60 form part of these Financial Statements. There were no recognised gains or losses for the year ended 31 March 2021 other than those included in the Consolidated Statement of Financial Activities. The results of Hinsley Properties Limited are included in Curia Unrestricted Funds.

CONSOLIDATED BALANCE SHEET AND CHARITY BALANCE SHEET

	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Fixed Assets					
Tangible Assets	13	**30,059**	30,933	**28,779**	29,587
Investment Properties	14	**11,615**	12,939	**10,415**	11,739
Investments	15	**15,047**	14,569	**17,210**	16,984
Total Fixed Assets		**56,721**	58,441	**56,404**	58,310
Current Assets					
Inventories		**8**	4	**-**	-
Debtors	16	**2,737**	1,083	**3,020**	1,178
Cash at Bank and in Hand		**3,596**	2,077	**3,556**	2,066
Total Current Assets		**6,341**	3,164	**6,576**	3,244
Current Liabilities					
Creditors and Accrued Expenses	17	**(4,984)**	(4,828)	**(4,902)**	(4,777)
Creditors: Amounts falling due within one year		**(4,984)**	(4,828)	**(4,902)**	(4,777)
Net Current Assets/(Liabilities)		**1,357**	(1,664)	**1,674**	(1,533)
Total Assets less Current Assets/(Liabilities)		**58,078**	56,777	**58,078**	56,777
Total Net Assets		**58,078**	56,777	**58,078**	56,777
The Funds of the Charity:					
Unrestricted Funds					
- Designated Funds	20	**38,480**	37,348	**38,480**	37,348
- General Funds	20	**9,989**	9,760	**9,989**	9,760
Restricted Funds	20	**8,586**	8,646	**8,586**	8,646
Permanent Endowments	20	**1,023**	1,023	**1,023**	1,023
Total Charity Funds		**58,078**	56,777	**58,078**	56,777

The Notes from page 35 to 60 form part of these Financial Statements.

These Financial Statements were approved and authorised by the Directors on 21 June 2022 and signed on their behalf by:

+Marcus Stock

Rt Rev M Stock
Bishop of Leeds
Director

CONSOLIDATED CASH FLOW STATEMENT

	2022	2021
	£'000	£'000
Cash Flows from Operating Activities		
Net Movement in Funds	**1,301**	5,595
Adjusted for:		
Deprecation Charges	**682**	679
Impairment Charges	**718**	-
Revaluation of Investment Properties	**(337)**	(2,606)
Gain on Disposal of Investment Properties	**(71)**	(43)
Gain on Disposal of Fixed Assets	**-**	(745)
Net Gains on Investments	**(435)**	(3,173)
Investment Income	**(582)**	(630)
Increase in Debtors	**(1,654)**	(253)
Increase in Creditors	**156**	929
(Increase)/Decrease in Inventories	**(4)**	3
Other non cash Expenditure	**94**	124
Net Cash provided used in Operating Activities	**(132)**	(120)
Cash Flows from Investing Activities		
Proceeds from the Disposal of Fixed Asset Investments	**181**	281
Investment Properties Income	**264**	345
Proceeds from the Sale of Tangible Fixed Assets	**-**	755
Proceeds from the Sale of Investment Properties	**1,732**	488
Payments to Acquire Tangible Fixed Assets	**(526)**	(1,806)
Net Cash provided by Investing Activities	**1,651**	63
Net Increase/(Decrease) in Cash and Cash Equivalents	**1,519**	(57)
Cash and Cash Equivalents at the beginning of year	**2,077**	2,134
Cash and Cash Equivalents at the end of year	**3,596**	2,077

Analysis of Net Cash

	2022	Movement	2021	Movement	2020
	£'000	£'000	£'000	£'000	£'000
Cash at Bank and in Hand	**3,596**	**1,519**	2,077	(57)	2,134

The Notes from page 35 to 60 form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

ACCOUNTING POLICIES

1.1 Basis of Accounting

These Financial Statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain fixed assets, and include the results of the Charity and its subsidiary's operations which are described in the Trustee's Report.

The Financial Statements are prepared in Sterling which is the functional currency of the entity. Monetary amounts in these Financial Statements are rounded to the nearest thousand pounds (£'000). 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) 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 Accounting Practice. The Charity is a public benefit entity for the purposes of FRS 102.

1.2 Going Concern

The Directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charitable Group to continue as a going concern and to meet its net current liabilities. The Directors have made this assessment for a period of at least twelve months from the date of approval of the Financial Statements. In particular the Directors have considered the Charity's forecasts and projections and have taken account of pressures on offertory, donation and investment income. After making enquiries the Directors have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its Financial Statements.

1.3 Basis of Consolidation

The Statement of Financial Activities, Balance Sheet and Cash Flow consolidate the Financial Statements of the Charity, comprising the Curia and the Parishes, together with a subsidiary undertaking, Hinsley Properties Limited.

1.4 Income

Income, including grants, is included in the Statement of Financial Activities on the basis of the amounts receivable for the year. Income from trading activities is included in the period that the Charity is entitled to the receipt.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.4 Income (continued)

In Parishes, the majority of income is received from voluntary donations and legacies. Legacies are recognised following probate and once there is sufficient evidence that the receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, the details are disclosed as a contingent asset, if material, until the criteria for income recognition are met.

Curial income includes income from services carried out at the Diocesan Pastoral Centre, Hinsley Hall, and income from Investment Properties and other Investments.

Gifts of fixed assets are included at valuation and the equivalent value is recorded as donations. If a gifted asset is under construction, then its value is recorded on completion.

1.5 Expenditure

Expenditure is included in the Statement of Financial Activities on the basis of the amounts payable for goods and services provided in the year.

Charitable expenditure consists of all expenditure directly relating to the objectives of the Diocese. Certain central costs, which cannot be directly apportioned, are allocated in proportion to the direct costs of the aims of the Charity.

The Diocese does not incur direct costs in its voluntary fundraising activities. The Diocese receives substantial voluntary help in its work, and it is not possible to place a financial value on this work.

Investment management fees, interest costs and the cost of sales and administrative costs of the subsidiary company are included in the cost of raising funds.

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure includes VAT where it cannot be fully recovered and is reported as part of the expenditure to which it relates.

Governance costs are those incurred in connection with the audit of the Charity and its compliance with constitutional and statutory requirements, including legal fees.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.6 Commitments

Commitments that are made by the Trustee that are legally binding have been accrued. Those that are not legally binding have not been charged in the Financial Statements but have been disclosed in the Notes to the Financial Statements.

1.7 Grants Payable

Discretionary grants are paid as a contribution to the running costs of organisations whose objectives are consistent with those of the Charity. Grants are paid on an ad–hoc basis and payment in one financial year does not imply continued support in future financial years. Liabilities relating to grants payable are recognised once the Charity is irrevocably committed to the provision of the grant.

1.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted mid-market price. Realised and unrealised gains and losses on Investments are reported in the Statement of Financial Activities. Investment income plus any associated tax recoverable is credited to income on an accruals basis.

Investments in subsidiaries are accounted for at cost less impairment in the individual Financial Statements.

1.9 Investment Properties

Investment property, which is property held to earn rentals and capital appreciation, is measured using the fair value model as at the Balance Sheet date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.10 Taxation

The Trustee considers that the Charity is exempt from taxation and therefore no provision has been made for it.

1.11 Pension Scheme

The Charity makes defined contributions to a Group personal pension scheme for certain employees. Contributions payable for the year are charged in the Statement of Financial Activities. Contributions are also paid for eligible employees, to the Teachers' Pension Scheme (England and Wales), and further information regarding this scheme is disclosed in Note 10 to the Financial Statements. Contributions payable are charged as charitable expenditure in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.12 Tangible Assets

Parish Property

The value of Parish properties is capitalised in the Financial Statements as follows:

- Properties acquired on or before 31 March 1997: these properties were capitalised at 10 per cent of their insurance value at that date.
- Properties acquired since 31 March 1997: these are capitalised at cost.

All Parish buildings are depreciated on a straight line basis of two per cent per annum.

Curial Freehold Buildings

A review of building valuations is carried out annually and, where required, an appropriate impairment charge is made in the Statement of Financial Activities. Curial freehold buildings are maintained to a high standard and depreciation is not provided for as, in the Trustee's opinion, the residual value is equal to the carrying value in the Financial Statements.

Freehold Property Improvements

Improvements to freehold properties are capitalised at cost and depreciated on a straight line basis of two per cent per annum.

Impairment reviews are undertaken on an annual basis.

Fixtures, Fittings and Equipment

Fixtures, fittings and equipment are stated at cost less depreciation. Depreciation is calculated by the straight line method to write off the cost or value, less anticipated residual value, over the expected useful lives of the assets. Assets have an expected useful life of between three years and ten years.

Impairment reviews are undertaken on an annual basis.

School Property

Certain school properties are owned by the Diocese and are occupied and run by independent charities in the form of Voluntary Aided (maintained) schools and Multi-Academy Trusts. There are significant legal restrictions on the disposal of these properties under education legislation. The Trustee considers the ownership of these assets to be in the nature of custodianship and they are, therefore, not capitalised in the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.13 Properties Held for Resale

Curia and Parish properties no longer used by the Diocese in pursuing its charitable aims, and whose sale is expected to complete within twelve months of the Balance Sheet date, are reported as Properties Held for Sale within current assets on the face of the Balance Sheet and are included at their estimated realisable value.

1.14 Schools Building Programme

The Diocese acts as agent on behalf of School Governors. Grants received, and contributions through the Voluntary Contributions Scheme (VCS), are netted off against total costs so that only the residual cost is included in the Financial Statements. As an agent, the Diocese is bound by agreement with each individual school and, therefore, has no discretion over the use of these funds.

1.15 Inventories

Inventories consist of purchased goods for resale and are valued at the lower of cost and net realisable value.

1.16 Fund Accounting

General Funds are Unrestricted Funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Parishes in the Diocese are established and operate under Canon Law, which gives each Parish a distinct status within the Church. Unrestricted Parish funds are reported as Designated Funds in the Financial Statements, to reflect the relative autonomy given to the Parish Priest under Canon Law.

Restricted Funds are funds that are used in accordance with specific instructions made by donors, or which have been raised by the Diocese for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each Restricted Fund is set out in these Notes to the Financial Statements.

The capital of Permanent Endowment Funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the Diocese, according to the terms of the original gift.

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

1.17 Financial Instruments

Basic financial instruments are measured at amortised cost. The Group has no other financial instruments or basic financial instruments measured at fair value.

1.18 Critical Accounting Estimates

In preparing financial statements, it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in those financial statements. The following judgements and estimates are considered by the Trustee to have the most significant effect on amounts recognised in the Financial Statements.

Useful Economic Life: the annual depreciation charge for buildings, fixtures, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and are amended where necessary to reflect current circumstances.

Investment Properties are valued on the basis of market value every five years. In the intervening years a review of Investment Properties' fair value is carried out annually and an appropriate revaluation credit or impairment charge is made in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. DONATIONS, LEGACIES AND GRANTS

	2022							
	Parishes			Curia				Group
	Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Offertories	3,767	-	3,767	-	14	-	14	3,781
Donations and Gifts	219	-	219	18	87	2	107	326
Votives	139	-	139	-	-	-	-	139
Legacies	1,800	-	1,800	132	233	-	365	2,165
Gift Aid Tax Refunds	691	-	691	48	4	4	56	747
Parish Projects	-	132	132	-	-	-	-	132
Parish Second Collections	-	116	116	-	-	-	-	116
Diocesan Second Collections	-	68	68	-	-	-	-	68
National Second Collections	-	152	152	-	-	-	-	152
Grants	20	766	786	31	917	-	948	1,734
Other	112	-	112	-	-	-	-	112
Total	6,748	1,234	7,982	229	1,255	6	1,490	9,472

	2021							
	Parishes			Curia				Group
	Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Offertories	3,226	-	3,226	-	14	-	14	3,240
Donations and Gifts	220	-	220	33	101	2	136	356
Votives	59	-	59	-	1	-	1	60
Legacies	301	-	301	30	25	-	55	356
Gift Aid Tax Refunds	664	-	664	33	-	-	33	697
Parish Projects	-	117	117	-	-	-	-	117
Parish Second Collections	-	84	84	-	-	-	-	84
Diocesan Second Collections	-	34	34	-	-	-	-	34
National Second Collections	-	46	46	-	-	-	-	46
Grants	116	413	529	466	394	-	860	1,389
Other	33	-	33	-	-	-	-	33
Total	4,619	694	5,313	562	535	2	1,099	6,412

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. INCOME FROM CHARITABLE ACTIVITIES

Income from charitable activities consists of:

	2022	2021
	£'000	£'000
School Contribution Scheme	**284**	305
Music Contribution Scheme	**134**	124
Conference Fees	**8**	6
Cemetery Fees	**289**	321
Other	**124**	102
Total	**839**	858

4. INVESTMENT INCOME

	2022			
	Unrestricted Funds	**Restricted Funds**	**Permanent Endowment Funds**	**Total Funds**
	£'000	**£'000**	**£'000**	**£'000**
Income arising from:				
Investment Properties	**259**	**5**	**-**	**264**
Listed Investments	**160**	**130**	**28**	**318**
Total	**419**	**135**	**28**	**582**

	2021			
	Unrestricted Fund	Restricted Fund	Permanent Endowment Fund	Total Funds
	£'000	£'000	£'000	£'000
Income arising from:				
Investment Properties	340	5	-	345
Listed Investments	136	124	25	285
Total	476	129	25	630

5. TOTAL COST OF RAISING FUNDS

The total cost of raising funds consists of:

	2022	2021
	£'000	£'000
Interest Payable	**-**	4
Investment Management Fees	**85**	77
Hinsley Properties Limited Expenditure	**901**	680
Total	**986**	761

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. CHARITABLE EXPENDITURE

		2022 Aims of the Charity				
		Advancement of Catholic Religion £'000	Promotion of Catholic Teaching £'000	Care of Priests £'000	Maintenance of Properties £'000	Total £'000
Parishes	Grants Payable	26	-	-	-	26
	Other Direct Costs	865	37	1,242	2,987	5,131
	Support Costs	146	6	204	485	841
	Total	1,037	43	1,446	3,472	5,998
Curia	Grants Payable	108	683	322	-	1,113
	Other Direct Costs	251	1,051	355	381	2,038
	Support Costs	119	573	223	126	1,041
	Total	478	2,307	900	507	4,192
Total	Grants Payable	134	683	322	-	1,139
	Other Direct Costs	1,116	1,088	1,597	3,368	7,169
	Support Costs	265	579	427	611	1,882
	Total	1,515	2,350	2,346	3,979	10,190

		2021 Aims of the Charity				
		Advancement of Catholic Religion £'000	Promotion of Catholic Teaching £'000	Care of Priests £'000	Maintenance of Properties £'000	Total £'000
Parishes	Grants Payable	38	-	-	-	38
	Other Direct Costs	492	14	1,166	2,655	4,327
	Support Costs	101	3	223	502	829
	Total	631	17	1,389	3,157	5,194
Curia	Grants Payable	95	33	340	-	468
	Other Direct Costs	356	839	367	384	1,946
	Support Costs	194	376	305	166	1,041
	Total	645	1,248	1,012	550	3,455
Total	Grants Payable	133	33	340	-	506
	Other Direct Costs	848	853	1,533	3,039	6,273
	Support Costs	295	379	528	668	1,870
	Total	1,276	1,265	2,401	3,707	8,649

Support Costs have been apportioned across the four aims of the Charity by pro-rating those costs to the grants payable and other direct costs of the individual aims. Included in Support Costs are Governance Costs of £22k (2021: £22k).

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. CHARITABLE EXPENDITURE – IMPAIRMENTS

The impairment charge of £718k (2021: £Nil) relates to the transfer of use of two properties from a Chaplaincy to a School. The Directors consider this transfer to be in the best interests of the Charity in delivering its principal charitable objectives. Following the transfer in the use of these properties, the Directors consider the ownership of these properties to be in the nature of a custodianship and they have therefore been written down to £Nil in the Financial Statements.

8. ANALYSIS OF GRANTS PAYABLE

	2022			2021
	Grants to Institutions	Individuals	Total	Total
	£'000	£'000	£'000	£'000
Catholic Dioceses in the United Kingdom	650	-	650	-
Catholic Trust for England and Wales	56	-	56	67
Catholic Education Service	33	-	33	33
Clergy Retirement Grants	-	295	295	317
Seminarian Grants	-	27	27	23
Peru Mission	52	-	52	18
Local Organisations	26	-	26	48
	817	322	1,139	506

Grants paid to institutions are paid as a contribution to the running costs of charities with objectives similar to those of the Leeds Diocesan Trust. There were 41 (2021: 46) grants given for the benefit of Retired Clergy amounting to £295k (2021: £317k).

9. CLERGY COSTS

	Clergy Allowances		
	Parishes	Curia	Total
	£'000	£'000	£'000
2022	**689**	**149**	**838**
2021	606	153	759

These allowances relate to Clergy in active ministry.

10. EMPLOYMENT COSTS AND NUMBERS

Staff costs comprise the following:

	2022			2021
	Parishes	Curia	Total	Total
	£'000	£'000	£'000	£'000
Salaries and Wages	482	1,311	1,793	1,811
Employers' National Insurance	62	126	188	191
Pension Costs	6	86	92	92
Gross Employment Costs	550	1,523	2,073	2,094
Coronavirus Job Retention Scheme Grant	(20)	(81)	(101)	(465)
	530	1,442	1,972	1,629

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. EMPLOYMENT COSTS AND NUMBERS (continued)

During the year payments of £63k (2021: £17k) were paid to three employees (2021: seven employees) in relation to redundancy payments.

The number of employees who received a salary in excess of £60,000 per annum was as follows:

	2022	2021
£60,001 to £70,000	2	2
£80,001 to £90,000	1	1
	3	3

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. Following the Court of Appeal's ruling in the McCloud/Sargeant case on 2015 reforms to Public Service Pensions including the Teachers' Pensions, HM Government is undertaking a consultation process with employer and member representatives to agree how the discriminations identified in the Court's ruling can be remedied.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. EMPLOYMENT COSTS AND NUMBERS (continued)

The average weekly number of full-time and part-time employees is analysed as follows:

	Total Diocesan Employees		
	Parishes	Curia	Total
2022	**94**	**65**	**159**
2021	82	65	147

11. DIRECTORS AND KEY MANAGEMENT PERSONNEL

The Directors do not receive any payments in respect of their Office. Directors who are members of the Clergy receive allowances and expenses for their work in active ministry which are paid by their Parish or by the Curia, if they have a non-Parochial role. No payments were made to Lay Directors in either the current year or the prior year. No reimbursement of expenses was paid to the Directors of the Trustee in either the current year or the prior year.

The Charity considers that its key management personnel comprise the Directors and Senior Curia Officers. The Directors did not receive any employment benefits in either the current year or the prior year. Senior Curia Officers received total employment benefits in the year of £689k (2021: £678k), including employers' National Insurance Contributions of £36k (2021: £36k) and pension contributions of £19k (2021: £8k).

Central to the fulfilment of the Charity's objectives is the role played by volunteers in ministries in the Parishes. It is not practical to collate the number of volunteers involved across all 78 Parishes and Diocesan agencies.

12. NET MOVEMENT IN FUNDS IN THE YEAR

Movement in net funds in the year is stated after charging:

	2022	2021
	£'000	£'000
Auditor's Remuneration		
- audit services	**21**	21
- other services	**1**	1
Depreciation of Owned Assets	**682**	679
Impairment of Owned Assets	**718**	-
Operating Lease Rentals	**40**	40

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. TANGIBLE ASSETS

Group

	Total Charity			Subsidiary			Total Group		
	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Leasehold Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost or valuation									
At 1 April 2021	37,048	2,408	39,456	1,894	473	2,367	38,942	2,881	41,823
Additions	514	-	514	-	12	12	514	12	526
Disposals	-	-	-	-	(77)	(77)	-	(77)	(77)
At 31 March 2022	**37,562**	**2,408**	**39,970**	**1,894**	**408**	**2,302**	**39,456**	**2,816**	**42,272**
Depreciation and impairments									
At 1 April 2021	8,983	886	9,869	821	200	1,021	9,804	1,086	10,890
Charge for the year	555	49	604	38	40	78	593	89	682
Impairments in the year	718	-	718	-	-	-	718	-	718
Disposals	-	-	-	-	(77)	(77)	-	(77)	(77)
At 31 March 2022	**10,256**	**935**	**11,191**	**859**	**163**	**1,022**	**11,115**	**1,098**	**12,213**
Net Book Value 31 March 2022	**27,306**	**1,473**	**28,779**	**1,035**	**245**	**1,280**	**28,341**	**1,718**	**30,059**
Net Book Value 1 April 2021	28,065	1,522	29,587	1,073	273	1,346	29,138	1,795	30,933

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. TANGIBLE ASSETS (continued)

Charity

	Parishes			Curia			Total Charity		
	Church Properties £'000	Church Contents £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost or valuation									
At 1 April 2021	27,815	2,383	30,198	9,233	25	9,258	37,048	2,408	39,456
Additions	514	-	514	-	-	-	514	-	514
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2022	**28,329**	**2,383**	**30,712**	**9,233**	**25**	**9,258**	**37,562**	**2,408**	**39,970**
Depreciation and impairments									
At 1 April 2021	8,983	868	9,851	-	18	18	8,983	886	9,869
Charge for the year	555	47	602	-	2	2	555	49	604
Impairments in the year	-	-	-	718	-	718	718	-	718
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2022	**9,538**	**915**	**10,453**	**718**	**20**	**738**	**10,256**	**935**	**11,191**
Net Book Value 31 March 2022	**18,791**	**1,468**	**20,259**	**8,515**	**5**	**8,520**	**27,306**	**1,473**	**28,779**
Net Book Value 1 April 2021	18,832	1,515	20,347	9,233	7	9,240	28,065	1,522	29,587

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENT PROPERTIES

	Charity			Subsidiary	Group
	Parishes	Curia	Total	Total	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2021	6,945	4,794	11,739	1,200	12,939
Disposals	(589)	(1,072)	(1,661)	-	(1,661)
Revaluations	(506)	843	337	-	337
At 31 March 2022	**5,850**	**4,565**	**10,415**	**1,200**	**11,615**
Depreciation and impairments					
At 1 April 2021 and 31 March 2022	-	-	-	-	-
Net Book Value 31 March 2022	**5,850**	**4,565**	**10,415**	**1,200**	**11,615**
Net Book Value 1 April 2021	6,945	4,794	11,739	1,200	12,939

Investment Properties are valued on the basis of market value every five years.

Investment Properties held to generate a rental income are valued on the basis of market value as defined in the RICS Valuation and Appraisal Manual (7th Edition). The last valuations were carried out by Sanderson Weatherall, Chartered Surveyors, Lambert Smith Hampton, Chartered Surveyors and WBW Chartered Surveyors on 31 March 2022 for the Charity's Investment Properties and on 26 February 2021 for the Subsidiary's Investment Property.

Investment Properties earmarked for sale on the open market are valued on the basis of market value taking into consideration the advice of external professional Chartered Surveyors and their estimated net realisable value.

In the intervening years, a review of the fair value is undertaken at the Balance Sheet date and the resulting revaluation or impairment recognised in the Statement of Financial Activities.

In the Trustee's opinion, the net book value disclosed in the Balance Sheet reflects its best estimate of the fair value of Investment Properties at 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. INVESTMENTS

a) GROUP

Listed Investments

	2022	2021
	£'000	£'000
Movement in Fixed Asset Investments:		
Market value at 1 April	**14,569**	11,471
Investment Income	**318**	285
Net Unrealised Gain/on Revaluation	**350**	2,832
Net Realised Gains in the Year	**78**	341
Investment Managers' Costs Deducted from Investments	**(87)**	(79)
Withdrawn from Investments	**(181)**	(281)
Market Value at 31 March	**15,047**	14,569
Analysis of Market Value of Investment by Type:		
Equities	**9,983**	10,427
Bonds	**2,488**	2,321
Properties	**361**	212
Alternative Investments	**1,540**	1,301
Cash	**675**	308
Market Value at 31 March	**15,047**	14,569
Analysis of Market Value of Investments between those held within and outside the United Kingdom:		
Within the United Kingdom	**8,386**	8,074
Outside the United Kingdom	**6,661**	6,495
Market Value at 31 March	**15,047**	14,569
Analysis of Market Value by Fund:		
Unrestricted	**8,270**	9,014
Restricted	**5,754**	4,532
Permanent Endowment	**1,023**	1,023
Market Value at 31 March	**15,047**	14,569
Historic Cost of Investments	**10,979**	10,876

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. INVESTMENTS (continued)

b) CHARITY

The investments of the Charity comprise:

	2022	2021
	£'000	£'000
Listed Investments (see Note 15(a) above)	15,047	14,569
Investment in Subsidiary Companies	2,163	2,415
	17,210	16,984

Investment in Subsidiary Companies
Hinsley Properties Limited (company registration number 2974080)

The Charity owns 100 per cent of the Ordinary share capital of the company. A provision of £252k (2021: £88k) has been made against the investment in this company in the year. The principal activities of the company were the operation of the Diocesan Pastoral Centre at Hinsley Hall, Leeds, and the management of an investment property, Cathedral Chambers.

A summary of the company's audited trading results for the year ended 31 March 2022 is shown below:

	2022	2021
	£'000	£'000
Turnover	614	34
Cost of Sales	(536)	(437)
Administrative Expenses	(376)	(253)
Other Operating Income	86	308
Rent paid to the Parent Undertaking	(40)	(40)
Operating Loss	(252)	(388)
Revaluation	-	300
Loss for the Financial Year	(252)	(88)

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. INVESTMENTS (continued)

b) CHARITY (continued)

A summary of the company's audited Balance Sheet at 31 March 2022 is shown below:

	2022	2021
	£'000	£'000
Fixed Assets	**2,480**	2,546
Net Current Liabilities	**(317)**	(131)
Total Assets	**2,163**	2,415
Called up Share Capital	**1,500**	1,500
Profit and Loss Account	**663**	915
Equity Shareholders' Funds	**2,163**	2,415

Inter-Diocesan Fuel Management Limited (IFM)

The Charity owns 11.1 (2021: 11.1) per cent of the Ordinary share capital of the company.

IFM was established in 1994 under the Catholic ethos of 'brother helping brother'. IFM, in addition to achieving best pricing through bulk purchase, has sourced its electricity from renewable energy sources (principally hydro-electric and wind power) for over 20 years. Since 2017 it has been committed to sourcing 'green' gas (for example biogas and syngas) and where this has not been possible it has engaged with its suppliers in carbon neutral projects in the United Kingdom and developing countries.

Dormant Company

The trading subsidiary company, Hinsley Properties Limited, owns 100 per cent of the ordinary share capital of Hinsley Hall Limited.

Hinsley Hall Limited was dormant in both the current and the prior year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. DEBTORS

	2022		
	Charity	**Subsidiary**	**Group**
	£'000	**£'000**	**£'000**
Trade Debtors	**139**	**54**	**193**
Gift Aid Tax Recoverable	**321**	**-**	**321**
Legacies Receivable	**1,727**	**-**	**1,727**
Grants Receivable	**162**	**-**	**162**
Other Debtors and Prepayments	**314**	**20**	**334**
Amounts due from/(by) Subsidiary Company	**357**	**(357)**	**-**
	3,020	**(283)**	**2,737**

	2021		
	Charity	Subsidiary	Group
	£'000	£'000	£'000
Trade Debtors	124	2	126
Gift Aid Tax Recoverable	450	-	450
Other Debtors and Prepayments	290	53	343
Grants Receivable	164	-	164
Amounts due from/(by) Subsidiary Company	150	(150)	-
	1,178	(95)	1,083

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022		
	Charity	**Subsidiary**	**Group**
	£'000	**£'000**	**£'000**
Trade Creditors	**4,530**	**37**	**4,567**
Other Tax and Social Security	**36**	**27**	**63**
Accruals and Deferred Income	**74**	**15**	**89**
Other Creditors	**262**	**3**	**265**
	4,902	**82**	**4,984**

	2021		
	Charity	Subsidiary	Group
	£'000	£'000	£'000
Trade Creditors	4,287	34	4,321
Other Tax and Social Security	34	3	37
Accruals and Deferred Income	292	11	303
Other Creditors	164	3	167
	4,777	51	4,828

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

Included in Trade Creditors is £3,988k (2021: £3,513k) in respect of the School Building Programme for which the Diocese acts as agent. The Diocese is bound by agreement with each individual School and, therefore, has no discretion over the use of these funds. As agent, during the year the Diocese received £2,551k (2021: £2,693k) and made payments of £2,076k (2021: £1,356k). Also included in Trade Creditors is £108k (2021: £108K) held on behalf of St Monica's Housing Trust Limited, a registered charity operating in the Diocese for the provision of accommodation for destitute women seeking asylum in the United Kingdom.

18. CAPITAL COMMITMENTS

The Diocese entered into a Private Finance Initiative (PFI) arrangement for the building of a school on 4 June 1999. The Leeds Diocesan Trust is obliged to make a payment of £115k per annum until August 2025. The payment is recognised as a charge to the Statement of Financial Activities in the year in which it is incurred.

In addition, the Diocese had capital commitments of £126k at 31 March 2022 (2021: £Nil).

19. OPERATING LEASES

At 31 March 2022 the Diocese had the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2022			2021
	Charity	Subsidiary	Group	Group
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	43	52	95	90
Between two and five years	82	170	252	224
	125	222	347	314

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. ANALYSIS OF CHARITABLE FUNDS

a) Analysis of Unrestricted Fund Movements

	For the year ended 31 March 2022					
	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investments Gains/(Losses) £'000	At 31 March 2022 £'000
Parishes - Designated Funds	37,348	7,457	(4,726)	(1,153)	(446)	38,480
Curia - Designated Funds	2,698	-	(69)	-	-	2,629
Curia - General Funds	7,062	2,237	(4,228)	1,153	1,136	7,360
Curia - Unrestricted Funds	9,760	2,237	(4,297)	1,153	1,136	9,989
Total Unrestricted Funds	47,108	9,694	(9,023)	-	690	48,469

	For the year ended 31 March 2021					
	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investments Gains £'000	At 31 March 2021 £'000
Parishes - Designated Funds	35,172	5,103	(4,696)	(1,296)	3,065	37,348
Curia - Designated Funds	2,781	-	(83)	-	-	2,698
Curia - General Funds	4,924	1,950	(3,565)	1,243	2,510	7,062
Curia - Unrestricted Funds	7,705	1,950	(3,648)	1,243	2,510	9,760
Total Unrestricted Funds	42,877	7,053	(8,344)	(53)	5,575	47,108

The transfer of funds from Parishes to the Curia of £1,153k (2021: £1,296k) is for the annual assessment that is made on Parishes to enable the Diocese to meet its pastoral and charitable objectives and its statutory obligations. The annual assessment is made on each Parish in proportion to its income.

Unrestricted Funds for Parishes are classified as Designated Funds to reflect the autonomy of each Parish given to it under Canon Law. The Designated Funds will be spent over the lifetime of each Parish.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. ANALYSIS OF CHARITABLE FUNDS (continued)

b) Analysis of Restricted Fund Movements

	For the year ended 31 March 2022					
	At 1 April 2021	Income	Expenditure	Transfers	Investments Gains	At 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Parishes						
Parish Fundraising	417	898	(987)	76	-	404
Second Collections	-	336	(285)	(51)	-	-
Batley Carr Cockrem Fund	385	8	-	-	7	400
Total Parishes	802	1,242	(1,272)	25	7	804
Curia						
Priests' Retirement Fund	6,361	312	(502)	11	146	6,328
Peru Mission Fund	160	11	(52)	8	-	127
Poor Mission Fund	338	8	-	(67)	-	279
Episcopal Mensa Fund	64	1	-	-	-	65
Pastoral Development Fund	32	-	-	-	-	32
St Patrick's Mission Church	272	41	(8)	-	-	305
Priests' Training Fund	73	54	(79)	15	-	63
National Schools Singing Programme	375	815	(880)	-	-	310
Other Funds	169	140	(44)	8	-	273
Total Curia	7,844	1,382	(1,565)	(25)	146	7,782
Total Restricted Funds	8,646	2,624	(2,837)	-	153	8,586

	For the year ended 31 March 2021					
	At 1 April 2020	Income	Expenditure	Transfers	Investments Gains	At 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Parishes						
Parish Fundraising	236	694	(498)	(15)	-	417
Batley Carr Cockrem Fund	294	5	-	-	86	385
Total Parishes	530	699	(498)	(15)	86	802
Curia						
Priests' Retirement Fund	5,667	120	(317)	3	888	6,361
Peru Mission Fund	168	6	(18)	4	-	160
Poor Mission Fund	336	1	-	1	-	338
Episcopal Mensa Fund	58	1	(13)	-	18	64
Pastoral Development Fund	48	-	(16)	-	-	32
St Patrick's Mission Church	234	52	(14)	-	-	272
Priests' Training Fund	84	58	(75)	6	-	73
National Schools Singing Programme	-	375	-	-	-	375
Other Funds	159	46	(90)	54	-	169
Total Curia	6,754	659	(543)	68	906	7,844
Total Restricted Funds	7,284	1,358	(1,041)	53	992	8,646

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. ANALYSIS OF CHARITABLE FUNDS (continued)

b) Analysis of Restricted Fund Movements (continued)

The purposes of the principal funds are detailed below:

Priests' Retirement Fund:	This fund provides accommodation and allowances for Priests who have retired from active ministry.
Batley Carr Cockrem Fund:	This legacy has been invested for the specific benefit of St Joseph's Parish, Batley Carr.
Peru Mission Fund:	The Diocese supports the Church's mission in Peru.
Poor Mission Fund:	This fund provides assistance to less affluent Parishes and Religious Communities within the Diocese.
Episcopal Mensa Fund:	This fund supports the Bishop of Leeds and appeals made at his discretion.
Priests' Training Fund:	This fund pays for the seminary fees and other costs associated with training men for the Priesthood.
St Patrick's Mission Church:	This is a Mission in the centre of Bradford and is operated jointly with the Franciscan Friars of the Renewal.
National Schools Singing Programme:	This fund is financed through a grant agreement with the Hamish Ogston Foundation. The grant agreement provides funding over five years for the development of the Schools Singing Programme both in the Diocese and through a collaborative project with other Catholic Dioceses throughout the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. ANALYSIS OF CHARITABLE FUNDS (continued)

c) Analysis of Permanent Endowment Fund Movements

Curia	For the year ended 31 March 2022				
	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 March 2022 £'000
Priests' Training Fund	750	22	(22)	-	750
Poor Mission Fund	82	2	(2)	-	82
Leeds Cathedral Music Fund	150	9	(9)	-	150
Mass Intentions Account	41	1	(1)	-	41
Total Endowment Funds	1,023	34	(34)	-	1,023

Curia	For the year ended 31 March 2021				
	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 March 2021 £'000
Priests' Training Fund	750	19	(19)	-	750
Poor Mission Fund	82	2	(2)	-	82
Leeds Cathedral Music Fund	148	5	(3)	-	150
Mass Intentions Account	41	1	(1)	-	41
Total Endowment Funds	1,021	27	(25)	-	1,023

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. NET ASSETS

	2022											
	Parishes Funds			Curia Funds				Total Group and Charity Funds			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000
Tangible Fixed Assets	20,259	-	20,259	9,800	-	-	9,800	30,059	-	-	30,059
Investment Properties	5,850	-	5,850	5,765	-	-	5,765	11,615	-	-	11,615
Fixed Asset Investments	-	400	400	8,270	5,354	1,023	14,647	8,270	5,754	1,023	15,047
Bank Balances: (Cash/(Overdrafts))	6,620	404	7,024	(5,856)	2,428	-	(3,428)	764	2,832	-	3,596
Other Net Current Assets/(Liabilities)	1,875	-	1,875	(4,114)	-	-	(4,114)	(2,239)	-	-	(2,239)
Inter Parishes and Curia Loans (net)	3,876	-	3,876	(3,876)	-	-	(3,876)	-	-	-	-
TOTAL NET ASSETS	**38,480**	**804**	**39,284**	**9,989**	**7,782**	**1,023**	**18,794**	**48,469**	**8,586**	**1,023**	**58,078**

	2021										
	Parishes Funds			Curia Funds				Total Group and Charity Funds			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000
Tangible Fixed Assets	20,347	-	20,347	10,586	-	-	10,586	30,933	-	-	30,933
Investment Properties	6,945	-	6,945	5,994	-	-	5,994	12,939	-	-	12,939
Fixed Asset Investments	-	383	383	9,014	4,149	1,023	14,186	9,014	4,532	1,023	14,569
Bank Balances: (Cash/(Overdrafts))	7,027	419	7,446	(9,064)	3,695	-	(5,369)	(2,037)	4,114	-	2,077
Other Net Current Assets/(Liabilities)	285	-	285	(4,026)	-	-	(4,026)	(3,741)	-	-	(3,741)
Inter Parishes and Curia Loans (net)	2,744	-	2,744	(2,744)	-	-	(2,744)	-	-	-	-
TOTAL NET ASSETS	37,348	802	38,150	9,760	7,844	1,023	18,627	47,108	8,646	1,023	56,777

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. RELATED PARTY TRANSACTIONS

The Diocese of Leeds Trustee is also the Trustee of one other registered charity, St John's Catholic School for the Deaf.

The Rt Rev Marcus Stock (Chair of the Trustee) is also a Trustee of a registered charity, Catholic Care (Diocese of Leeds). The Leeds Diocesan Trust made payments to Catholic Care in the year ended 31 March 2022 of £11k (2021: £11k) for care and other support services for retired Priests.

The Leeds Diocesan Trust operates a wholly owned trading subsidiary, Hinsley Properties Limited. Rt Rev Mgr P Fisher and Rt Rev Mgr A Summersgill are Directors of both the Diocese of Leeds Trustee and Hinsley Properties Limited.

During the year, the Charity received £50k (2021: £50k) in rents and management fees from Hinsley Properties Limited. At 31 March 2022 £350k (2021: £150k) was payable to the Leeds Diocesan Trust by Hinsley Properties Limited.

During the year, a member of Key Management Personnel used Charity systems for a personal procurement of £3k (2021: £1k) which was fully reimbursed and at 31 March 2022 £Nil (2021: £Nil) was owed to the Leeds Diocesan Trust.

LEEDS DIOCESAN TRUST

England & Wales - Charity number 249404

Accounts

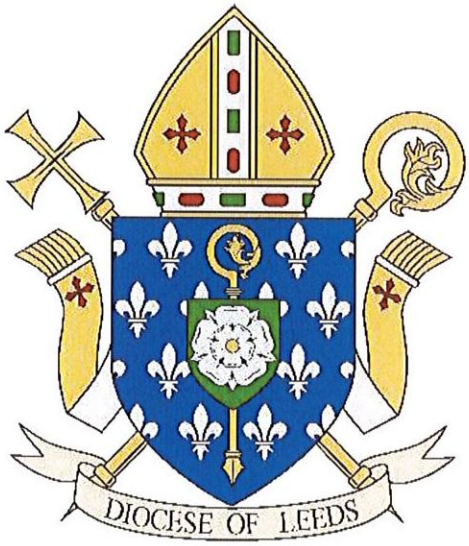
Leeds Diocesan Trust

Registered Charity Number 249404

Report and Consolidated Financial Statements

For the year ended

31 March 2021



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DIRECTORS AND ADVISORS

Trustee

Diocese of Leeds Trustee
(Company registration number 2886244)
Registered Office: Hinsley Hall, 62 Headingley Lane, Leeds, LS6 2BX

Directors of the Trustee

Rt Rev M Stock	(Bishop of Leeds)
Rev Mgr P Fisher	(Vicar General)
Rev Mgr A Summersgill	
Mr M Booth	
Mr M Gargan	
Mr P Rogerson	

Registered Office

Hinsley Hall, 62 Headingley Lane, Leeds, LS6 2BX

Company Secretary to the Trustee and Chief Operating Officer of the Charity

Mr I Burrell

Auditor

Saffery Champness LLP, Mitre House, North Park Road, Harrogate, HG1 5RX

Banker

HSBC Bank plc, 33 Park Row, Leeds, LS1 1LD

Investment Managers

Investec Wealth & Investment, 100 Wood Street, London, EC2V 7AN
Rathbone Investment Management, 1 Curzon Street, London, W1J 5FB

Solicitor

DLA Piper UK LLP, Princes Exchange, Princes Square, Leeds, LS1 4BY

REPORT OF THE TRUSTEE

The Trustee presents its Annual Report and the audited Consolidated Financial Statements of the Charity for the year ended 31 March 2021.

CONSTITUTION AND AIMS

The Charity, the Leeds Diocesan Trust ("the Diocese"), is a registered charity with the registration number 249404. The Charity was established in its current form by a Trust Deed dated 20 December 1993. The sole Trustee of the Charity is a trust corporation, the Diocese of Leeds Trustee, company registration number 2886244.

In support of the Mission of the Catholic Church, the principal objectives of the Charity are:

- the advancement of the Catholic Religion;
- the promotion of Catholic Teaching in the Diocese and beyond;
- the provision and care of Priests; and
- the maintenance of Churches, Presbyteries and Schools.

The Trustee confirms that it has complied with the requirements of the Charities Act 2011 section 17 to have due regard to the public benefit guidance published by the Charity Commission including the guidance "Public benefit: running a charity (PB2)" in determining the activities undertaken by the Charity. Throughout this Annual Report the Trustee seeks to demonstrate that the Charity's aims and objectives are for the public benefit.

The Diocese consists of 78 Parishes, in West Yorkshire, North Yorkshire, the East Riding of Yorkshire, Greater Manchester and Lancashire. The Diocese also has 93 Catholic Schools, Academies and Colleges. Leeds Trinity University, a Catholic Foundation University, is also located within the Diocese.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE

The operation of the Charity is overseen by the Trustee. The Directors of the Trustee are appointed by the Bishop of Leeds who is Chair of the Board. There were four Trustee Board meetings during the financial year. Directors were unable to meet in person for these meetings following the implementation of the Health Protection (Coronavirus, Restrictions) (England) Regulations 2020 and therefore Board meetings were held online.

The Trustee Board is, for the purposes of Canon Law, the Finance Council of the Diocese.

The Bishop of Leeds and the Vicar General are ex-officio Directors of the Board. All other Directors are appointed for a term of three years which may be renewed, subject to performance and review, for an additional two terms of three years each. On 27 September 2020, Mr M Booth, Mr M Gargan and Mr P Rogerson were re-appointed Directors of the Board for a second three year term.

Directors are recruited from senior Clergy and suitably qualified and experienced Lay Faithful from the wider Catholic community. On appointment, new Directors are introduced to their role and responsibilities by the Vicar General and the Chief Operating Officer and are issued with copies of the Trust Deed and the latest financial information. Directors attend formal and informal training sessions as required.

As disclosed in Note 10 to the Financial Statements, Directors do not receive any payments in respect of their Office. No reimbursement of expenses was paid to the Directors of the Trustee in either the current or prior year.

In the day-to-day management of the Charity, the Bishop of Leeds refers ecclesiastical related matters to the Vicar General, and administrative matters to the Chief Operating Officer and Diocesan Officials employed by the Charity on behalf of the Diocese.

The Trustee Board, as the Diocesan Finance Council, delegates oversight of the Diocese's day-to-day financial, property, investment and administration matters to a Finance Sub-Committee (the "FSC"). During the year under review, the FSC comprised four members: Monsignor K Heskin (Chair) and Mr T Forbes, both of whom are former Directors, and Monsignor P Fisher (Vicar General) and Monsignor A Summersgill, who are both current Directors. The FSC members are supported and advised by the Chief Operating Officer and Officers from within the Curia.

The FSC meets on a monthly basis. In addition to considering all Diocesan financial, property, investment and administration matters, the FSC also reviews the Diocese's quarterly Consolidated Financial Statements as well as Consolidated Cash Flow Forecasts for the

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

following eighteen months. Reflecting Canon Law, the activities of the Charity are separated in this Report into Parish and Curia functions.

Parishes

The Diocese is divided into distinct Parishes. Parish Priests are appointed by the Bishop to exercise pastoral care for the Parish community, which includes representing the Parish in all juridic affairs and ensuring that the Parish is administered in accordance with the norms of Canon Law, in fulfilment of the aims of the Charity.

As encouraged by the "Directory for the Pastoral Ministry of Bishops", the Bishop, in consultation with Priests and the Laity, reviews the Parish structure on a regular basis to ensure Parishes' long-term pastoral sustainability. The Bishop undertakes "Visitations" where he personally reviews the Parishes on a rolling five-year programme.

Each Parish is required by Canon Law to have a Finance Council to assist the Priest in the administration of the Parish. Parish Finance Councils include Parishioners with knowledge and experience in finance, property management and administration.

Curia

The Diocesan Curia consists of Officers and Officials who assist the Bishop in the governance of the Diocese and especially in directing pastoral activity, administration and the exercise of judicial (canonical) power.

The remuneration of Key Management Personnel is disclosed in Note 10 to the Financial Statements. Annual pay changes are approved by the Trustee, and job roles and remuneration are reviewed periodically. Benchmarking against market rates is employed when new roles are created or when significant changes occur.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding

The Bishop and the Directors are committed to safeguarding children, young people and adults at risk in accordance with both Civil Law and Church policies.

Within the Diocese the safeguarding support and interventions services have successfully navigated the more complex nature of working within the restrictions required in the Government's Coronavirus Regulations. These restrictions have been significantly mitigated by the development of online communication methods, enabling the work of the many Parish volunteers and Curia staff to continue. This work has focused on responding to the needs of victims and/or survivors, where necessary taking prompt action to protect children or adults who may be at risk and providing guidance on creating a safe environment within Parishes.

The work of the Safeguarding Office is undertaken in accordance with legislation, policy and best practice as stated in the Catholic Church's National Safeguarding Procedures (these are published at https://www.csas.uk.net/). Following an allegation, actions undertaken by the Safeguarding Office include:

- consultation with statutory authorities and referral to regulatory bodies;
- temporary withdrawal of the accused from active ministry for members of the Clergy and from all roles within the Diocese for lay people;
- referral to CSAS and/or NCSC (National Catholic Safeguarding Commission);
- liaison with other Dioceses where cases cross borders;
- consistent reporting to the Leeds Catholic Safeguarding Commission;
- liaison and consultation with Parish Priests and safeguarding representatives; and
- notification to the Chief Operating Officer.

The Safeguarding Office works in collaboration with the Leeds Catholic Safeguarding Commission the members of which possess expertise spanning a wide range of safeguarding fields including criminal law, police, social care and education. With the support of the Commission, the annual training programme was extended to enable its delivery to the Clergy and Parish Safeguarding Representatives in their local communities. Whilst this has been suspended as a result of Coronavirus Regulations, the programme will resume as soon as it is safe to do so.

The Safeguarding Office works closely with Parishes on the safer recruitment of any adult whose role and responsibilities include contact with children or adults who may be at risk. In the year ended 31 March 2021 a total of 422 (2020: 1,109) Disclosure and Barring Service (DBS) checks were undertaken as part of this safer recruitment process.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Safeguarding (continued)

The Independent Inquiry into Child Sexual Abuse (IICSA) published its Report "The Roman Catholic Church – Investigation Report" in November 2020. In an apology to all victims and survivors of the crime of sexual abuse the Catholic Bishops of England and Wales, in their "Statement on the Publication of the IICSA Report", said:

> *"Listening attentively to their witness testimony has brought into sharp relief the extent of the damage this sexual abuse has had on their lives."*

The Catholic Bishops of England and Wales also accepted all the recommendations made by the "Independent Review of Safeguarding Structures and Arrangements in the Catholic Church in England and Wales" by Mr Ian Elliott, published in September 2020.

In order to integrate the findings of the IICSA Report and the recommendations of the Elliott Review Report into the life and work of the Church, the Catholic Bishops of England and Wales appointed a senior Lay Professional in January 2021 to co-ordinate the immediate implementation of wide-ranging reforms to safeguarding structures and processes in the Catholic Church. These reforms relate to:

- Leadership and Oversight (at National, Diocese and Parish level);
- Compliance and External Auditing Systems;
- Easier-to-follow Safeguarding Policies and Procedures; and
- National Complaints Policy.

A Director will be appointed to the Board who is suitably qualified and experienced in Safeguarding to chair a Diocesan Safeguarding Sub-Committee to be established as part of these reforms.

Health and Safety

The Trustee keeps under review its Health and Safety Policy and works with Health and Safety professionals to ensure that its processes and procedures follow best practice. Amendments to its Health and Safety Policy and associated documentation are regularly communicated, together with practical support to Parishes to assist them in meeting their obligations.

The day-to-day management of the Diocese's Health and Safety Policy is undertaken by the Curia's Property Department which includes a full-time Health and Safety professional. In its work with Parishes (as disclosed in the Maintenance of Property section below), the Department ensures that Health and Safety is an integral part in all of its processes.

Bishop Marcus convened and chaired a Steering Group of Deans, who worked together with the Diocesan Property Administrator and the Diocesan Health and Safety Officer to implement

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Health and Safety (continued)

the Government's Coronavirus Regulations. Actively responding to the changing levels of restrictions throughout the year, this enabled churches to open for Mass and other liturgies, when permitted. A review of each church was carried out to provide practical support to Parishes to allow Mass and the Sacraments to be celebrated with appropriate dignity in as safe and secure an environment as was practicably possible. Critical to the re-opening of churches has been the role of volunteer stewards in allocating socially-distanced seating and by following appropriate Coronavirus cleaning regimes after each Mass. Bishop Marcus is grateful for the goodwill and tireless work of volunteer stewards without whom the celebration of the Mass throughout the Diocese could not take place.

Fundraising

The majority of funding is received from Parishioners principally through the weekly Offertory collection, planned giving, special collections and fundraising activities. Bishop Marcus and the Directors express their deepest gratitude and sincere thanks for this continuing generosity.

The Diocese is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice. The Diocese does not employ outside agencies to raise funds. In both the current year and the prior year no complaints were received in respect of fundraising.

The Coronavirus Regulations resulted in the closure of all Diocesan churches from March 2020 to June 2020. Following this time, churches were allowed to re-open with severely reduced numbers being admitted to the celebration of Mass. This had an impact on the Offertory collections which has been mitigated by developing online donation facilities on the Diocesan and Parish websites, promoting Standing Orders, a text giving facility for all our Parishes and Diocesan agencies, and the installation of cashless giving devices in churches.

Internal Financial Reporting and Monitoring

The Diocese's internal Financial Reporting systems and processes are designed to provide assurances to the Trustee on the integrity of the financial accounting and governance procedures within Curia Departments and Parishes. Quarterly Consolidated Financial Statements are presented to the Board. The Charity's Risk Register is reviewed as part of this process. The Diocesan Finance Department works closely with individual Curia Departments and Parishes as appropriate to mitigate these risks. In addition, Curia staff review Parishes on the appointment of a new Parish Priest.

REPORT OF THE TRUSTEE (continued)

GOVERNANCE (continued)

Internal Financial Reporting and Monitoring (continued)

The Diocese's activities are reported in the Financial Statements, distinguishing between those performed in the Parishes and those performed through the Curia.

It is within Parishes that people experience what it is to be a member of the Catholic Church and where faith is nurtured and given expression. The majority of the funds in the Diocese are raised and expended within individual Parishes. As a result of the restrictions on numbers allowed to attend churches, the Bishops of England and Wales suspended the obligation of the Lay Faithful to attend Sunday Mass. Sunday Masses took place when permitted, but with strictly limited capacity, and as an alternative the Lay Faithful were encouraged to participate via live-streaming or to attend a weekday Mass.

Central to the Diocese being able to continue to fulfil its aims is the role played by a significant number of volunteers who help in all aspects of the life of their Parish. Volunteers generously give of their time, serving in various ministries as well as caring for and visiting the sick, the housebound and those on the margins of society. During the current restrictions on social contact, they continue to play a major role with telephone and online communication being an effective alternative to home visits.

Volunteers also play a significant role in the upkeep of Parish property and they assist in financial and other administrative duties. These Parishioners are the lifeblood of their communities and their contribution is significant. It is not possible, however, to quantify the number of volunteers within Parishes, nor to estimate the financial value of their work.

In pursuing the charitable aims of the Diocese, the Curia performs and co-ordinates a number of functions in addition to those undertaken in Parishes.

A review of the Diocese's four principal charitable objectives is outlined below, and excludes its trading subsidiary undertaking, Hinsley Properties Limited. The trading performance of Hinsley Properties Limited is reported in Note 14 (b) to the Financial Statements.

REPORT OF THE TRUSTEE (continued)
ACHIEVEMENTS AND PERFORMANCE

1. Advancement of the Catholic Religion

The Diocese supports and encourages the promotion of the Catholic Religion at a local, national and international level.

Locally, the Diocese encourages, facilitates and supports volunteering and a wide range of activities. The Diocese promotes Second Collections for local initiatives, including the Poor Mission Fund to support the smaller and poorer Parishes and Religious Communities within the Diocese.

Caritas Leeds is a forum for all Catholic charities, agencies, projects and groups within the Diocese. Amongst its objectives is the development of ongoing formation in Catholic Social Teaching and encouraging and promoting partnerships across the Diocese in the service of the poor. During the year, Caritas Leeds, together with Catholic Care, continued to support the work of the Diocesan Refugees and Asylum Seekers Group.

St Patrick's Mission is a centre for Catholic renewal based in the City of Bradford. The active co-operation between the Diocese and the Franciscan Friars of the Renewal seeks to create a culture of Catholic spiritual renewal and missionary outreach in Bradford's city centre. It provides concrete works of Christian charity to the poor and destitute, through the operation of a soup kitchen and clothing bank, as well as providing opportunities to evangelise those who visit, work and shop in Bradford's city centre. It is also a place where people can reconnect with their faith through Catholic history and heritage. On 1 January 2021, Bishop Marcus appointed Father Columba Jordan CFR, (a Franciscan Friar of the Renewal), as the Rector of the Church, succeeding Father Giles Barrie CFR.

The closure and restricted opening of Places of Worship, under the Coronavirus Regulations prevented the Lay Faithful from fully taking part in the celebration of the Mass and other liturgies in our churches. Across the Diocese many initiatives were put in place to enable Priests and Parishioners to provide spiritual and pastoral support through telephone calls, online facilities and social media platforms. Participation in the Mass and other devotions has been made possible through live-streaming. Liturgies from Leeds Cathedral's YouTube channel, (*Leeds Cathedral*) have to date reached a worldwide 'virtual congregation' of 700,000, and there has also been live-streaming from many Parish Churches.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

1. Advancement of the Catholic Religion (continued)

In addition to local livestreaming, music curated from the Diocesan Choirs' CDs and composite lockdown recordings enabled a national broadcast of BBC Radio 4's Sunday Worship as part of the 'Year of the Word'.

The Diocesan website has been used to communicate the additional Health and Safety guidance and Updates for Parishes, and during the year, visits to the Diocesan website have ranged between 10,000 and 17,000 per month. The Diocese's 2020 Annual Review was published online only and made available via the website.

Many Parishes have their own well developed websites. In response to the Coronavirus pandemic restrictions, the Communications Department completed a project to ensure that every Parish had at least a basic website to enable our Clergy and Lay Faithful to keep in touch, to facilitate spiritual, pastoral and practical support and to enable secure Offertory giving to continue.

Significant grants from the Albert Gubay Foundation enabled Parish outreach projects to provide food banks and other practical support to the vulnerable in their local communities.

In October 2020, the annual St Wilfrid's Way Pilgrimage, between Leeds Cathedral and Ripon, was able to take place legally, safely and successfully through the collaboration of Curia, Clergy, Lay Faithful, Local Authorities, Public Health Officials and the Police.

Nationally, the Diocese supports the work of Catholic charities such as CAFOD and the St Vincent de Paul Society (SVP). The Diocese supports the Bishops' Conference in its advocacy and promotion of the Catholic Religion.

Bishop Marcus expresses his gratitude for the work undertaken by these and other Catholic and faith-based charities across the Diocese, especially during this time of pandemic when people have felt more vulnerable.

The Diocese continues to support the work of the Church in Peru. The annual collection for the Diocese's Peru Mission raised £4k (2020: £22k) and grants of £18k (2020: £47k) were made to projects in Peru. Local Parishes also supported the Church's International Outreach work in countries such as Ethiopia, India, Kenya, Pakistan and Zimbabwe.

During the year, Bishop Marcus has established the Venerable Elizabeth Prout Bereavement Service in collaboration with the Sisters of the Cross and Passion. This new initiative will support Parishes and other Diocesan agencies in their pastoral ministry to the bereaved.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching

The Diocese has 79 Primary Schools, 12 High Schools and a Sixth Form College, as well as a non-maintained residential Special School (St John's Catholic School for the Deaf, a registered charity for which the Trustee is also the Trustee). All of these are designated as Catholic Schools.

During the year, Schools continued to convert to academy status and to join one of the five "Diocesan Family of Schools" Multi-Academy Trusts, which enable all pupils from the age of 2 years old to 18 years old to be supported in their education irrespective of the individual School they attend. At 31 March 2021, 57 per cent of Diocesan Schools had converted to Academies and a further 24 per cent of Diocesan Schools are in the process of converting to Academies.

The Coronavirus pandemic significantly interrupted education throughout the year and Bishop Marcus and the Directors are grateful to all school staff who continued to provide for keyworkers' children and vulnerable pupils throughout this challenging time, not only providing support for learning but establishing food banks and systems to support families with making grant claims.

The Coronavirus pandemic presented an unprecedented set of operational challenges for Multi-Academy Trusts and Schools to provide the most secure teaching environment possible for staff, students and pupils. The Vicariate for Education worked closely with Academies and Schools to ensure that systems and risk assessments were in place to mitigate risks associated with the Coronavirus pandemic.

As a member of the Secretary of State for Education's Covid Recovery Advisory Group, the Diocesan Schools Commissioner was able to advise Government on the challenges and concerns of staff, students and pupils in Diocesan Academies and Schools in an environment of rapidly-changing local as well as national infection levels.

The Vicariate for Education also provided training for school staff to enable them to provide Religious Education and Collective Worship remotely.

The Vicariate for Education welcomes Professor Charles Egbu as the new Vice-Chancellor at Leeds Trinity University and is committed to continuing stronger partnerships between Diocesan Schools and the University. The Vicariate for Education collaborates with national and regional bodies including Ofsted, the Regional Schools Commissioner and local councils to promote the highest educational standards across the Diocese and works with the Catholic Education Service, to promote Catholic education.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

The Episcopal Vicar for Education is grateful to all those who volunteer to be Trust Directors or School Governors, ensuring that the mission of the Schools in proclaiming the Gospel is fulfilled.

The Vicariate for Education supported Parishes in developing online models of Catechesis to allow First Sacraments preparation to continue during the restrictions on our Places of Worship and the closure of Parish Centres and Halls. The new programmes for First Sacraments are popular with families and catechists and several other Dioceses have chosen to use these resources. Family Catechesis continues to be an excellent model for engaging parents and other family members in the faith journey of their children.

Online Catechists' networks have been developed to support Parish ministry and these are considered to be an effective tool in future collaborations. Six Parishioners have enrolled on the Loyola Certificate for Parish Ministry programme. Parish Catechists are commended for the dedication to their ministry during these challenging times.

In 2020, the Catholic Church in England and Wales inaugurated "The Year of the Word: the God Who Speaks". A series of talks planned at Hinsley Hall and throughout the Diocese was curtailed by the Coronavirus pandemic. The programme was reorganised to allow guest speakers to appear online, with Parishioners regularly participating in these talks.

Other resources have been created to enable online training, learning and engagement designed to appeal to the wider community. These include unique speech podcasts (a series of recordings of the whole of St Matthew's Gospel entitled, "St Matthew's Gospel Unlocked"), plus photography and music initiatives ("Window on the Word", "Hymns at Home" and "Carols at Home").

The Youth Team continued to work with Bishop Marcus in supporting the Diocesan Youth Leadership Team of 13-18 year olds, "The Twelve". Named after the Twelve Apostles, they are committed to their faith and meet together for formation, fellowship and discussion. Their role is to collaborate with Bishop Marcus to give a voice to young people in decision-making regarding the future of the Diocese. The Twelve's first-hand experiences on the challenges of remote learning during the "lockdowns" provided valuable feedback to the Diocese's Academies and Schools. The Twelve participated in an international video conference introduced by Pope Francis and inspired by his "Let Us Dream" book.

The Youth Team are grateful for the grant awarded by Allchurches Trust which has provided equipment for filming, sound and lighting. This has enabled it to enhance its online activities.

REPORT OF THE TRUSTEE (continued)
ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

The Diocesan Music Department complements the work of the Vicariate for Education in Academies and Schools through its Schools Singing Programme and Keyboard Studies Programme. Both programmes are designed to bring the Christian faith, especially the sacred Scriptures, into the hearts of the children and young people participating in them and their families and the wider community who listen to and watch them.

The Schools Singing Programme is a collaboration between our Schools, Parishes and the Music Department. Established in 2003, the Programme delivers training in liturgical music to 4,500 children each week in 53 Diocesan Schools and comprises more than 100 choral groups. The Music Department's strategic impact on evangelisation and inclusion, focuses on the participation of young people in their Parish life and their School Acts of Worship. Children participate in liturgical celebrations, concerts, public broadcasts and musical festivals. Many schools are located within communities ranking amongst the most-deprived 10 per cent of communities nationally (IMD 2019) and the Music Department is committed to ensuring that the Church's patronage of the arts is available to all, fostering catechesis, individual aspiration and collective flourishing. The Music Department also leads 'Trinity Voices' in partnership with Leeds Trinity University.

The choirs sing at Masses and other liturgies both in Leeds Cathedral and in Parish Churches. The Music Department's online work with the choirs during the "lockdown" included broadcasts on BBC Radio 4 Religious Programmes in May, July and November 2020 and was featured in "Gramophone Magazine", by the Incorporated Society of Musicians and the Music Teachers Association.

During the "lockdowns", daily school lessons were provided online through a dedicated YouTube channel *Diocese of Leeds Schools Singing Programme* which achieved more than 65,000 views during the year. After-school choirs were able to maintain their full rehearsal schedule online. In November 2020, the Music Department's dedication to engaging with their choirs was recognised with a Royal Philharmonic Society Award. The Diocesan Children's Choirs contributed to the online celebrations "Hymns at Home", "Carols at Home" and also to "Boys make Noise", an online workshop developed to encourage boys to participate in choirs.

The Music Department's online provision of its Schools Singing Programme was achieved in a relatively short period and staff hosted two national webinars for Cathedral Choirs and Schools to enable them to develop their own online provisions.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

The Leeds Cathedral Choir School, established at Holy Rosary and St Anne's Primary School in Chapeltown, is funded by significant grants from the Holbeck Trust and Leeds College of Music as well as through individual donations from supporters.

The Keyboard Studies Programme maintained its provision through online tuition of its organ and piano students. To introduce children to the keyboard, an accordion tuition syllabus has been developed. This enables children to learn keyboard skills and disciplines on an accessible and portable instrument. The Music Department now has 20 children learning the accordion. Online keyboard tuition presents significant additional challenges and it is encouraging that many pupils overcome them. A pupil from St Bede's and St Joseph's Catholic College, Bradford, has been awarded a distinction in his recent organ examination.

The Director of Music is grateful for the valuable contributions the Keyboard Studies Programme receives from the Royal College of Organists and the University of Huddersfield to support its continuing development. The Director of Music is also grateful for a grant from the Liz and Terry Bramall Foundation to provide bursaries to enable children, irrespective of their personal circumstances, to learn to play keyboard musical instruments.

The third Leeds International Organ Festival was held online and included recorded performances from Friedhelm Flamme, Angela Metzger and Alessandro Bianchi. There was also a weekly podcast series, with guests including Owen Murray (Professor of Accordion at the Royal Academy of Music) and Rachel Mahon (newly-appointed Director of Music at Coventry Cathedral).

The Music Department resumed liturgical choirs, school sessions and instrumental teaching in person during the periods permitted by Government regulations, with all rehearsals and teaching following (or exceeding) safety guidelines for this activity.

In December 2020, the Music Department was awarded a significant grant from the Hamish Ogston Foundation. This grant will enable the Music Department to expand its Schools Singing Programme into all schools across the Diocese. The grant will also enable the Music Department to develop a new singing curriculum with faith themes co-ordinated with the Vicariate for Education's "Virtues to Live By" programme and an enhanced Music Curriculum content.

The Hamish Ogston Foundation is also funding a five year collaborative project between the Music Department and Catholic Dioceses throughout the United Kingdom to enable them to

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

2. Promotion of Catholic Teaching (continued)

establish a financially sustainable, Schools Singing Programme based on the model developed in the Diocese of Leeds.

Bishop Marcus is grateful for the support that the Hamish Ogston Foundation is giving both to his Diocese and the Catholic Church throughout the United Kingdom in this important area of evangelisation.

Pope Francis in his Encyclical Letter "Laudato Si': On Care for Our Common Home" calls on the Catholic Church to make a significant commitment to the environment as responsible custodians of the earth's resources.

The Diocese was an 'early adopter' among the English and Welsh Dioceses in obtaining Electricity and Gas from renewable sources through Inter Diocesan Fuel Management Limited (IFM) a company in which the Charity is an Equity Shareholder as disclosed in Note 14(b) to the Financial Statements. This Renewable Electricity and Green Gas strategy is a practical response to Pope Francis' call. The Diocese currently obtains 100 per cent of its Electricity requirements from renewable sources and 71 per cent of its Gas requirement is similarly sourced, with the remaining 29 per cent being 'Offset' by investment in carbon-neutral projects.

A Diocesan Laudato Si' group is also taking a lead to develop property and travel innovations and to communicate 'green' decisions which are realistic, achievable and have a significant impact across the Charity. The group also encourages, supports and promotes practical and educational environmental initiatives at the local Parish and School level. The group's Laudato Si' Mini-Pilgrimage walk through the Myddelton Grange Estate and Calvary, a Diocesan treasure in the Parish of Ilkley, will enable visitors to witness the conservation activities taking place across this farming, forestry and historical place.

REPORT OF THE TRUSTEE (continued)
ACHIEVEMENTS AND PERFORMANCE (continued)

3. Provision and Care of Priests

Central to Parish life is the relationship between the Parish Priest, Assistant Priests and Parishioners. The welfare of Priests is defined in Canon Law. Within the Diocese, Parishes are responsible for the support of their own Priests. During the year, Parishes paid £606k (2020: £701k) in allowances and offerings, £318k (2020: £311k) in housekeeping costs and £81k (2020: £181k) in travel expenses to Priests.

To support Priests in their ministry, the Directors of Ongoing Spiritual and Pastoral Formation remain committed to providing a programme of reflection and study consisting of residential and day events (although this has been curtailed in line with Government restrictions in the current year). They are also developing a mentoring programme for Junior Clergy.

Directors of Ongoing Spiritual and Pastoral Formation participate in national forums to enable the growth of best practice in the Diocese.

Key to sustaining the advancement of the Catholic Religion is the promotion and support of vocations to the Priesthood and the Permanent Diaconate. Currently the Diocese has five (2020: eight) men training for the Priesthood. From September 2021 we anticipate having a total of seven candidates in formation.

In the year ended 31 March 2021, the Diocese invested £185k (2020: £177k) in seminary fees and living allowances. This expenditure was partially funded by collections taken in the Parishes amounting to £6k (2020: £28k) and by the continuing support of grants from the Jesuits' Osterley Fund.

Priests are supported in their full-time ministry by men ordained to the Permanent Diaconate. The Diocese has 22 Permanent Deacons (2020: 22) and has six candidates at various stages of formation. Permanent Deacons assist our Priests through teaching, sanctifying and giving pastoral governance in Parishes, and in specific pastoral responsibilities assigned to them by Bishop Marcus.

Permanent Deacons are supported in their training and ongoing formation by the Director for the Permanent Diaconate, the Assistant Director for Deacons and a Spiritual Director. Training and ongoing formation is provided in a supportive atmosphere to reflect their existing family and career responsibilities.

REPORT OF THE TRUSTEE (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

3. Provision and Care of Priests (continued)

The Diocese continues to engage with men and women discerning vocations to the Priesthood, Religious and Consecrated Life. This is achieved through individual accompaniment, discernment groups and through both the University Chaplaincies and the High Schools in the Diocese.

The Diocese supports Priests who have retired from active ministry by providing appropriate living accommodation and an allowance to supplement their statutory pensions. Retired Priests receive welfare and other practical support by Catholic Care. This is a bespoke service, tailored to meet the changing needs of each Priest.

The Directors are grateful for the additional support and work undertaken by Catholic Care during the Coronavirus pandemic.

During the year, the Diocese paid £317k (2020: £335k) in grants to retired Clergy and in addition paid accommodation costs for retired Clergy. This was financed in part by £3k (2020: £25k) in donations from second collections in the Parishes and by £118k (2020: £150k) from dividend income.

4. Maintenance of Property

Churches and associated Parish buildings play a central role in the spiritual life of Parishioners. These are often significant landmarks and serve as a social hub in their wider local communities. Over 90 per cent of the buildings owned by Parishes are more than 50 years old. Collectively, Parishes spent £1,379k (2020: £2,566k) on refurbishments, maintenance and repairs to churches, presbyteries and parish halls during the year. This level of investment equates to 24 per cent (2020: 33 per cent) of Total Parish Operating Income and reflects the importance that the Diocese attaches to maintaining its Sacred Places.

The Property Department works with the Historic Churches Committee (a statutory body established under the Ecclesiastical Exemption (Listed Buildings and Conservation Areas) (England) Order 2010) to oversee and approve all building works on Listed Places of Worship. The Property Department also works with the Diocesan Art, Architecture and Heritage Committee which considers all applications to undertake building works on Diocesan properties. Members of the committees are drawn from the Clergy, Lay Professionals, Local Authority Planning Departments and the Amenity Societies.

REPORT OF THE TRUSTEE (continued)
ACHIEVEMENTS AND PERFORMANCE (continued)

4. Maintenance of Property (continued)

During the year, the Diocese has invested in improvements to Health and Safety in Parishes, with considerable work being undertaken in asbestos management and the safety of gas and electrical installations.

As well as raising funds locally for capital projects, Parish volunteers supported by Curia staff have been instrumental in securing grant funding to help fund some of these projects. Significant grant funding included grants from The Albert Gubay Charitable Foundation, the National Churches Trust, Allchurches Trust, the Yorkshire Historic Churches Trust and The National Lottery Community Fund. The Curia also makes appropriate applications to the Listed Places of Worship (LPW) Grant Scheme, which makes grants to cover some of the VAT incurred in making repairs to those Listed Buildings in use as Places of Worship.

During the year, the Diocese received significant funding from Historic England to enable it to complete essential works on three Grade 2* Listed Buildings: Leeds Cathedral, St Wilfrid's, Ripon and St Joseph's, Pontefract.

The Curia works with a dedicated team of external property professionals including experienced Architects and Chartered Surveyors. The team collaborates with Parishes and Schools to ensure that refurbishments, maintenance and repairs take full account of the needs of the users of these properties, the historic architecture of the buildings, the requirements for accessibility for Parishioners and Pupils with disabilities, and that they meet all current Health and Safety legislation.

The Property team manages the delivery of the Diocese's Health and Safety Policy as disclosed above.

REPORT OF THE TRUSTEE (continued)

FUTURE PLANS

The Trustee remains committed to the Mission of the Catholic Church and therefore to delivering the Charity's four principal objectives. The review of each of the four principal objectives above include references to future plans, initiatives and the investment required for their implementation.

The Charity will continue to comply with the Government's Coronavirus pandemic regulations and the guidance provided by the Catholic Bishops' Conference of England and Wales. The Trustee acknowledges that there will be a significant impact to the Charity's operations in the year ending 31 March 2022 and on the manner in which it is able to deliver its charitable objectives. The Charity's Clergy, employees and volunteers remain committed to serving its Parishes and their wider communities within these requirements by building on the innovations and initiatives that were developed throughout the year ended 31 March 2021.

The Directors remain focused on ensuring that future plans remain sufficiently resourced to deliver the charitable objectives.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW

The table below summarises the financial activities of the Parishes and Curia during the year.

	2021	2020
	£'000	£'000
Parishes		
Income	**5,802**	7,788
Expenditure	**(5,194)**	(6,865)
	608	923
Diocesan Assessment	**(1,296)**	(1,387)
Transfers	**(15)**	(106)
Deficit	**(703)**	(570)
Net Gains on the Sale and Revaluation of Assets	**3,151**	4,084
Increase in Reserves	**2,448**	3,514
Curia		
Income	**2,636**	3,516
Diocesan Assessment	**1,296**	1,387
Transfers	**15**	106
Expenditure	**(4,216)**	(5,023)
Deficit	**(269)**	(14)
Net Gains/(Losses) on the Sale and Revaluation of Assets	**3,416**	(1,346)
Increase/(Decrease) in Reserves	**3,147**	(1,360)
Total Group Increase in Reserves	**5,595**	2,154

Details of the income and expenditure are shown in the Consolidated Statements of Financial Activities on pages 31 and 32.

The Diocese continues to comply with current statutory requirements and its governing documents.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

The total income for the Diocese in the year was £8,438k (2020: £11,304k) a decrease of 25 per cent (2020: a decrease of 1 per cent). The largest individual component of income is from Offertories amounting to £3,240k (2020: £4,169k) a fall of 22 per cent (2020: a decrease of 3 per cent) compared with the prior year. Due to the Coronavirus pandemic, churches were closed during the first part of the financial year and were only able to re-open with severe restrictions later in the year. Income from Donations, Gifts and Legacies, which is less predictable, was £262k lower (2020: £98k lower) than the prior year.

The total expenditure in the year was £9,410k (2020: £11,888k) a decrease of £2,478k compared with the prior year. The Total Cost of Raising Funds is analysed in Note 5 to the Financial Statements and Charitable Expenditure is analysed in Note 6 to the Financial Statements. Expenditure continues to be tightly managed and remained focused on delivering the Diocese's charitable objectives.

The operational deficit in the year was £972k (2020: £584k) and Net Resources increased in the year by £5,595k (2020: £2,154k).

As disclosed in Note 1 to the Financial Statements (Accounting Policies 1.12), occupied School properties are valued at £Nil (2020: £Nil) as the Directors consider these properties to be inalienable.

At 31 March 2021, the Diocese reported a net cash position of £2,077k (2020: £2,134k). The Cash Flow Statement on page 34 shows a small net decrease in cash and cash equivalents of £57k (2020: increase of £468k).

Investment Policy and Performance

The Trust Deed authorises the Trustee to make and hold investments using the general funds of the Diocese. The Diocese's funds are managed in one general fund (Main Fund) and four specific funds (Priests' Retirement Fund, Batley Carr Cockrem Fund, Episcopal Mensa Fund and Music Fund). The Diocese operates an ethical investment policy and has agreed an investment strategy with its investment managers. The investment managers oversee the funds and their portfolio of investments on a discretionary basis within these guidelines. The investment managers provide quarterly reports and meet with the FSC annually to review fund performance and to consider the investment outlook.

The market value of investments reported in the Financial Statements at 31 March 2021 was £14,569k (2020: £11,471k). The movements are analysed in Note 14 to the Financial Statements. The main components comprise investment income generated of £285k (2020: £407k), cash withdrawn of £281k (2020: £1,440k) and profits arising on the sale of investments

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Investment Policy and Performance (continued)

of £341k (2020: £386k). The unrealised gain on revaluation of £2,832k (2020: loss £1,996k) reflects the Markets' recovery from their initial reaction to the expected economic impact of the Coronavirus pandemic. No capital drawdowns were made in the year ended 31 March 2021 therefore preventing losses being realised on our investment portfolios. Working with investment managers and using cash forecasts, drawdowns will be managed to mitigate exposure to short term market fluctuations. At the date of signing this report the market value of investments has increased compared with 31 March 2021.

The Diocese holds a portfolio of investment properties that are held either for a long-term rental income stream or no longer required for meeting its principal charitable objectives and are therefore planned for long-term sale.

Reserves Policy

The Total Funds of the Diocese at 31 March 2021 were £56,777k (2020: £51,182k) of which £38,150k (2020: £35,702k) related to Parishes and £18,627k (2020: £15,480k) related to the Curia and the subsidiary undertaking.

The Reserves Policy of the Diocese is to hold a value equivalent to at least three months of Total Operating Expenditure as Free Reserves. Free Reserves are defined as Unrestricted Funds less Tangible Fixed Assets. Funds invested in Tangible Fixed Assets are excluded from Free Reserves as these funds cannot be released without undermining the Diocese's ability to fulfil its principal charitable objectives. At 31 March 2021, Free Reserves were £16,175k (2020: £12,066k) and represented twenty months (2020: twelve months) of Total Operating Expenditure. The Directors consider that this level of Free Reserves is reasonable, especially at the present time, to enable the Diocese to fulfil its immediate financial obligations and commitments and to plan for future investment requirements. This includes the training of the Seminarians, Priests and Permanent Deacons, the welfare needs of retired Priests and the maintenance of the Diocese's Places of Worship.

Total Funds included £1,023k (2020: £1,021k) in Permanent Endowment Funds and £8,646k (2020: £7,284k) in Restricted Funds. The allocation of Permanent Endowment Funds and Restricted Funds is determined by the wishes of the donors and is disclosed in Note 19 to the Financial Statements. Unrestricted Funds of £47,108k (2020: £42,877k) comprise Designated Funds in Parishes of £37,348k (2020: £35,172k) and Designated and General Funds in the Curia of £9,760k (2020: £7,705k). Designated Funds in Parishes are raised to ensure the financial sustainability of each Parish and will be expended over the life of that Parish.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Subsidiary Trading Company

The Diocese holds an investment in a wholly owned trading subsidiary, Hinsley Properties Limited. The Directors of this subsidiary company are appointed from the Directors and Officers of the Trustee. Hinsley Properties Limited was formed to manage the Diocesan Pastoral Centre at Hinsley Hall and an investment property, Cathedral Chambers. The Diocesan Pastoral Centre is also used by the wider national Catholic community. As disclosed in Note 14(b) to the Financial Statements, during the year the company generated a turnover of £34k (2020: £793k) and reported an operating loss of £388k (2020: loss £223k). The trading subsidiary, which derives turnover from the wider Hospitality Sector, has been adversely affected by the restrictions arising from the Coronavirus pandemic.

The retained loss for the year of £88k has been taken to the consolidated unrestricted reserves and includes a gain of £300k on the revaluation of the Investment Property as disclosed in Note 14 (b) to the Financial Statements.

Risk Management

The Trustee considers and assesses the major risks to which the Diocese is exposed. This includes strategic, financial, operational and reputational risks. The Trustee implements policies and procedures in order to mitigate or minimise these risks and also monitors the effectiveness of its risk management processes.

The most significant short-term risk to the Charity is the impact on its pastoral and operational provision as a result of continuing Government restrictions. There is also a corresponding impact on the cash based component of the Charity's income. During the year, the Charity introduced new methods of replacing this lost cash income. The expenditure commitments of the Charity continue to be reviewed to offset the impact of this lost income. The Charity has, in recent years, strengthened its financial assets and this has enabled it to meet all financial commitments through an unprecedented financial year. The Charity is committed to delivering its objectives to the highest possible standards whilst fully complying with Government restrictions.

REPORT OF THE TRUSTEE (continued)

FINANCIAL REVIEW (continued)

Financial Strategy

The current Financial Strategy provides the Charity with the financial flexibility required to deliver its charitable objectives. The Strategy's working capital enables Parishes, Curia departments and Diocesan agencies to operate efficiently. The Strategy includes the efficient management of the Charity's financial assets by maximising the income and capital growth of these financial assets in line with the Charity's ethical investment policy and minimising interest costs through the management of its cash position.

The Financial Strategy has been modified to enable the Charity to react to the fast-moving impact of the Coronavirus pandemic on its income streams. In addition to an eighteen month cash flow forecast, the Directors carried out Stress Testing on its cash income.

The Directors are satisfied, taking into account the results of the Stress Testing, that the Charity has sufficient flexibility within its financial assets and its existing bank facilities to withstand the short-term impact of the Coronavirus pandemic to enable it to continue to deliver its charitable objectives.

Approved by the Trustee on 22 June 2021 and signed on its behalf by:

+Marcus Stock

Rt Rev M Stock
Bishop of Leeds
Director

TRUSTEE'S RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors of the Trustee are responsible for preparing the Trustee's Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to Charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and the Group, and of its income and expenditure for that period. In preparing these Financial Statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice and FRS 102;
- make judgements and estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Charitable Group will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the Financial Statements comply with the Charities Act 2011 and applicable accounting regulations. It is also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST

Opinion

We have audited the financial statements of the Leeds Diocesan Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and 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).

In our opinion the Financial Statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2021 and of the group's and the parent charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the 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 Trustee with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Other Information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters 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 Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; 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 the Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 25, the Trustee is 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 Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the group and the 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 Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Responsibilities of the Trustee (continued)

either intends to liquidate the group or the parent charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustee, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with the Trustee and updating our understanding of the sector in which the group and parent charity operate.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Auditor's responsibilities for the Audit of the Financial Statements (continued)

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE LEEDS DIOCESAN TRUST (continued)

Use of our report

This report is made solely to the parent charity's Trustee, 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 parent charity Trustee 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 parent charity and the parent charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP
Chartered Accountants and Statutory Auditors
Mitre House
North Park Road
Harrogate
HG1 5RX

22 June 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 2021

	Note	Parishes			Curia and Subsidiary				Group
		Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and Endowments from:									
Donations, Legacies and Grants	2	4,619	694	5,313	562	535	2	1,099	6,412
Charitable Activities	3	38	-	38	820	-	-	820	858
Trading Activities		446	-	446	92	-	-	92	538
Investment Income	4	-	5	5	476	124	25	625	630
Total Operating Income		**5,103**	**699**	**5,802**	**1,950**	**659**	**27**	**2,636**	**8,438**
Expenditure on:									
Total Cost of Raising Funds	5	-	-	-	761	-	-	761	761
Charitable Expenditure	6	4,696	498	5,194	2,887	543	25	3,455	8,649
Total Operating Expenditure		**4,696**	**498**	**5,194**	**3,648**	**543**	**25**	**4,216**	**9,410**
		407	**201**	**608**	**(1,698)**	**116**	**2**	**(1,580)**	**(972)**
Gross Transfer between Funds		(1,296)	(15)	(1,311)	1,243	68	-	1,311	-
Net Operating (Expenditure)/Income		**(889)**	**186**	**(703)**	**(455)**	**184**	**2**	**(269)**	**(972)**
Net Gains on Investment Assets		-	86	86	2,181	906	-	3,087	3,173
Net Gains on the Sale of Fixed Assets and Investment Properties		788	-	788	-	-	-	-	788
Net (Expenditure)/ Income		**(101)**	**272**	**171**	**1,726**	**1,090**	**2**	**2,818**	**2,989**
Revaluation of Investment Properties		2,277	-	2,277	329	-	-	329	2,606
Net Movement in Funds	11	**2,176**	**272**	**2,448**	**2,055**	**1,090**	**2**	**3,147**	**5,595**
Reconciliation of Funds:									
Total Funds brought forward		35,172	530	35,702	7,705	6,754	1,021	15,480	51,182
Total Funds carried forward		**37,348**	**802**	**38,150**	**9,760**	**7,844**	**1,023**	**18,627**	**56,777**

All activities are from continuing operations. The Notes from page 35 to 60 form part of these Financial Statements. There were no recognised gains or losses for the year ended 31 March 2021 other than those included in the Consolidated Statement of Financial Activities. The results of Hinsley Properties Limited are included in Curia Unrestricted Funds.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 2020

		Parishes			Curia and Subsidiary				Group
	Note	Designated Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds	Total Funds
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and Endowments from									
Donations, Legacies and Grants	2	5,830	887	6,717	335	492	35	862	7,579
Charitable Activities	3	87	-	87	829	172	-	1,001	1,088
Trading Activities		974	-	974	863	-	-	863	1,837
Investment Income	4	-	10	10	583	170	37	790	800
Total Operating Income		**6,891**	**897**	**7,788**	**2,610**	**834**	**72**	**3,516**	**11,304**
Expenditure on:									
Total Cost of Raising Funds	5	-	-	-	1,106	-	-	1,106	1,106
Charitable Expenditure	6	5,989	876	6,865	3,077	803	37	3,917	10,782
Total Operating Expenditure		**5,989**	**876**	**6,865**	**4,183**	**803**	**37**	**5,023**	**11,888**
		902	**21**	**923**	**(1,573)**	**31**	**35**	**(1,507)**	**(584)**
Gross Transfer between Funds		(1,387)	(106)	(1,493)	1,357	106	30	1,493	-
Net Operating (Expenditure)/Income		**(485)**	**(85)**	**(570)**	**(216)**	**137**	**65**	**(14)**	**(584)**
Net Losses on Investment Assets		-	(42)	(42)	(1,107)	(461)	-	(1,568)	(1,610)
Net Gains on the Sale of Fixed Assets		-	-	-	8	-	-	8	8
Net (Expenditure)/ Income		**(485)**	**(127)**	**(612)**	**(1,315)**	**(324)**	**65**	**(1,574)**	**(2,186)**
Revaluation of Investment Properties		4,126	-	4,126	214	-	-	214	4,340
Net Movement in Funds	11	**3,641**	**(127)**	**3,514**	**(1,101)**	**(324)**	**65**	**(1,360)**	**2,154**
Reconciliation of Funds:									
Total Funds brought forward		31,531	657	32,188	8,806	7,078	956	16,840	49,028
Total Funds carried forward		**35,172**	**530**	**35,702**	**7,705**	**6,754**	**1,021**	**15,480**	**51,182**

All activities are from continuing operations. The Notes from page 35 to 60 form part of these Financial Statements. There were no recognised gains or losses for the year ended 31 March 2020 other than those included in the Consolidated Statement of Financial Activities. The results of Hinsley Properties Limited are included in Curia Unrestricted Funds.

CONSOLIDATED BALANCE SHEET AND CHARITY BALANCE SHEET

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed Assets					
Tangible Assets	12	**30,933**	30,811	**29,587**	29,385
Investment Properties	13	**12,939**	9,828	**11,739**	8,928
Investments	14	**14,569**	11,471	**16,984**	12,974
Total Fixed Assets		**58,441**	52,110	**58,310**	51,287
Current Assets					
Inventories		**4**	7	**-**	-
Debtors	15	**1,083**	830	**1,178**	1,607
Cash at Bank and in Hand		**2,077**	2,134	**2,066**	2,123
Total Current Assets		**3,164**	2,971	**3,244**	3,730
Current Liabilities					
Creditors and Accrued Expenses	16	**(4,828)**	(3,899)	**(4,777)**	(3,835)
Creditors: Amounts falling due within one year		**(4,828)**	(3,899)	**(4,777)**	(3,835)
Net Current (Liabilities)		**(1,664)**	(928)	**(1,533)**	(105)
Net Assets		**56,777**	51,182	**56,777**	51,182
The Funds of the Charity:					
Unrestricted Funds					
- Designated Funds	19	**37,348**	35,172	**37,348**	35,172
- General Funds	19	**9,760**	7,705	**9,760**	7,705
Restricted Funds	19	**8,646**	7,284	**8,646**	7,284
Permanent Endowments	19	**1,023**	1,021	**1,023**	1,021
Total Charity Funds		**56,777**	51,182	**56,777**	51,182

The Notes from page 35 to 60 form part of these Financial Statements.

These Financial Statements were approved and authorised by the Directors on 22 June 2021 and signed on their behalf by:

+Marcus Stock

Rt Rev M Stock
Bishop of Leeds
Director

CONSOLIDATED CASH FLOW STATEMENT

	2021	2020
	£'000	£'000
Cash Flows from Operating Activities		
Net Movement in Funds	**5,595**	2,154
Adjusted for:		
Deprecation Charges	**679**	629
Revaluation of Investment Properties	**(2,606)**	(4,340)
Gain on Disposal of Investment Properties	**(43)**	-
Gain on Disposal of Fixed Assets	**(745)**	(8)
Net (Gains)/Losses on Investments	**(3,173)**	1,610
Investment Income	**(630)**	(800)
(Increase) / Decrease in Debtors	**(253)**	92
Increase in Creditors	**929**	15
Decrease / (Increase) Inventories	**3**	(2)
Other non cash Expenditure	**124**	80
Net Cash used in Operating Activities	**(120)**	(570)
Cash Flows from Investing Activities		
Proceeds from the Disposal of Fixed Asset Investments	**281**	1,440
Payments to Acquire Fixed Asset Investments	**-**	(40)
Investment Properties Income	**345**	393
Proceeds from the Sale of Tangible Fixed Assets	**755**	164
Proceeds from the Sale of Investment Properties	**488**	-
Proceeds from the Sale of Assets Held for Sale	**-**	750
Payments to Acquire Tangible Fixed Assets	**(1,806)**	(1,669)
Net Cash provided by Investing Activities	**63**	1,038
Net (Decrease) / Increase in Cash and Cash Equivalents	**(57)**	468
Cash and Cash Equivalents at the beginning of year	**2,134**	1,666
Cash and Cash Equivalents at the end of year	**2,077**	2,134

Analysis of Net Cash

	2021	Movement	2020	Movement	2019
	£'000	£'000	£'000	£'000	£'000
Cash at Bank and in Hand	**2,077**	**(57)**	2,134	468	1,666

The Notes from page 35 to 60 form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.1 Basis of Accounting

These Financial Statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain fixed assets, and include the results of the Charity and its subsidiary's operations which are described in the Trustee's Report.

The Financial Statements are prepared in Sterling which is the functional currency of the entity. Monetary amounts in these Financial Statements are rounded to the nearest thousand pounds (£'000). 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) 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 Accounting Practice. The Charity is a public benefit entity for the purposes of FRS 102.

1.2 Going Concern

The Directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charitable Group to continue as a going concern and to meet its net current liabilities. The Directors have made this assessment for a period of at least twelve months from the date of approval of the Financial Statements. In particular the Directors have considered the Charity's forecasts and projections and have taken account of pressures on offertory, donation and investment income with a particular emphasis on the potential impact of the Coronavirus pandemic. After making enquiries the Directors have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its Financial Statements.

1.3 Basis of Consolidation

The Statement of Financial Activities, Balance Sheet and Cash Flow consolidate the Financial Statements of the Charity, comprising the Curia and the Parishes, together with a subsidiary undertaking, Hinsley Properties Limited.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1.4 Income

Income, including grants, is included in the Statement of Financial Activities on the basis of the amounts receivable for the year. Income from trading activities is included in the period that the Charity is entitled to the receipt.

In Parishes, the majority of income is received from voluntary donations and legacies. Legacies are recognised following probate and once there is sufficient evidence that the receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, the details are disclosed as a contingent asset, if material, until the criteria for income recognition are met.

Curial income includes income from services carried out at the Diocesan Pastoral Centre, Hinsley Hall, and income from Investment Properties and other Investments.

Gifts of fixed assets are included at valuation and the equivalent value is recorded as donations. If a gifted asset is under construction, then its value is recorded on completion.

1.5 Expenditure

Expenditure is included in the Statement of Financial Activities on the basis of the amounts payable for goods and services provided in the year.

Charitable expenditure consists of all expenditure directly relating to the objectives of the Diocese. Certain central costs, which cannot be directly apportioned, are allocated in proportion to the direct costs of the aims of the Charity.

The Diocese does not incur direct costs in its voluntary fundraising activities. The Diocese receives substantial voluntary help in its work, and it is not possible to place a financial value on this work.

Investment management fees, interest costs and the cost of sales and administrative costs of the subsidiary company are included in the cost of raising funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1.5 Expenditure (continued)

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure includes VAT where it cannot be fully recovered and is reported as part of the expenditure to which it relates.

Governance costs are those incurred in connection with the audit of the Charity and its compliance with constitutional and statutory requirements, including legal fees.

1.6 Commitments

Commitments that are made by the Trustee that are legally binding have been accrued. Those that are not legally binding have not been charged in the Financial Statements but have been disclosed in the Notes to the Financial Statements.

1.7 Grants Payable

Discretionary grants are paid as a contribution to the running costs of organisations whose objectives are consistent with those of the Charity. Grants are paid on an ad–hoc basis and payment in one financial year does not imply continued support in future financial years. Liabilities relating to grants payable are recognised once the Charity is irrevocably committed to the provision of the grant.

1.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted mid-market price. Realised and unrealised gains and losses on Investments are reported in the Statement of Financial Activities. Investment income plus any associated tax recoverable is credited to income on an accruals basis.

Investments in subsidiaries are accounted for at cost less impairment in the individual Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1.9 Investment Properties

Investment property, which is property held to earn rentals and capital appreciation, is measured using the fair value model as at the Balance Sheet date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.10 Taxation

The Trustee considers that the Charity is exempt from taxation and therefore no provision has been made for it.

1.11 Pension Scheme

The Charity makes defined contributions to a Group personal pension scheme for certain employees. Contributions payable for the year are charged in the Statement of Financial Activities. Contributions are also paid for eligible employees, to the Teachers' Pension Scheme (England and Wales), and further information regarding this scheme is disclosed in Note 9 to the Financial Statements. Contributions payable are charged as charitable expenditure in the Statement of Financial Activities.

1.12 Tangible Assets

Parish Property

The value of Parish properties is capitalised in the Financial Statements as follows:

- Properties acquired on or before 31 March 1997: these properties were capitalised at 10 per cent of their insurance value at that date.
- Properties acquired since 31 March 1997: these are capitalised at cost.

All Parish buildings are depreciated on a straight line basis of two per cent per annum.

Curial Freehold Buildings

A review of building valuations is carried out annually and, where required, an appropriate impairment charge is made in the Statement of Financial Activities. Curial freehold buildings are maintained to a high standard and depreciation is not provided for as, in the Trustee's opinion, the residual value is equal to the carrying value in the Financial Statements.

Freehold Property Improvements

Improvements to freehold properties are capitalised at cost and depreciated on a straight line basis of two per cent per annum.

Impairment reviews are undertaken on an annual basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1.12 Tangible Assets (continued)

Fixtures, Fittings and Equipment

Fixtures, fittings and equipment are stated at cost less depreciation. Depreciation is calculated by the straight line method to write off the cost or value, less anticipated residual value, over the expected useful lives of the assets. Assets have an expected useful life of between three years and ten years.

Impairment reviews are undertaken on an annual basis.

School Property

Certain school properties are owned by the Diocese and are occupied and run by independent charities in the form of Voluntary Aided (maintained) schools and Multi-Academy Trusts. There are significant legal restrictions on the disposal of these properties under education legislation. The Trustee considers the ownership of these assets to be in the nature of custodianship and they are therefore not capitalised in the Financial Statements.

1.13 Properties Held for Resale

Curia and Parish properties no longer used by the Diocese in pursuing its charitable aims, and whose sale is expected to complete within twelve months of the Balance Sheet date, are reported as Properties Held for Sale within current assets on the face of the Balance Sheet and are included at their estimated realisable value.

1.14 Schools Building Programme

The Diocese acts as agent on behalf of School Governors. Grants received, and contributions through the Voluntary Contributions Scheme (VCS), are netted off against total costs so that only the residual cost is included in the Financial Statements. As an agent, the Diocese is bound by agreement with each individual school and therefore has no discretion over the use of these funds.

1.15 Inventories

Inventories consist of purchased goods for resale and are valued at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1.16 Fund Accounting

General Funds are Unrestricted Funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Parishes in the Diocese are established and operate under Canon Law, which gives each Parish a distinct status within the Church. Unrestricted Parish funds are reported as Designated Funds in the Financial Statements, to reflect the relative autonomy given to the Parish Priest under Canon Law.

Restricted Funds are funds that are used in accordance with specific instructions made by donors, or which have been raised by the Diocese for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each Restricted Fund is set out in these Notes to the Financial Statements.

The capital of Permanent Endowment Funds must be maintained intact with any income arising being available for restricted or general charitable purposes of the Diocese, according to the terms of the original gift.

1.17 Financial Instruments

Basic financial instruments are measured at amortised cost. The Group has no other financial instruments or basic financial instruments measured at fair value.

1.18 Critical Accounting Estimates

In preparing financial statements, it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in those financial statements. The following judgements and estimates are considered by the Trustee to have the most significant effect on amounts recognised in the Financial Statements.

Useful Economic Life: the annual depreciation charge for buildings, fixtures, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and are amended where necessary to reflect current circumstances.

Investment Properties are valued on the basis of market value every five years. In the intervening years a review of Investment Properties' fair value is carried out annually and an appropriate revaluation credit or impairment charge is made in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. DONATIONS, LEGACIES AND GRANTS

	2021							
	Parishes			Curia				Group
	Designated Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000	Total Funds £'000
Offertories	3,226	-	3,226	-	14	-	14	3,240
Donations and Gifts	220	-	220	33	101	2	136	356
Votives	59	-	59	-	1	-	1	60
Legacies	301	-	301	30	25	-	55	356
Gift Aid Tax Refunds	664	-	664	33	-	-	33	697
Parish Projects	-	117	117	-	-	-	-	117
Parish Second Collections	-	84	84	-	-	-	-	84
Diocesan Second Collections	-	34	34	-	-	-	-	34
National Second Collections	-	46	46	-	-	-	-	46
Grants	116	413	529	466	394	-	860	1,389
Other	33	-	33	-	-	-	-	33
Total	4,619	694	5,313	562	535	2	1,099	6,412

	2020							
	Parishes			Curia				Group
	Designated Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000	Total Funds £'000
Offertories	4,159	-	4,159	-	10	-	10	4,169
Donations and Gifts	267	-	267	148	157	35	340	607
Votives	267	-	267	-	1	-	1	268
Legacies	209	-	209	147	11	-	158	367
Gift Aid Tax Refunds	791	-	791	40	-	-	40	831
Parish Projects	-	156	156	-	-	-	-	156
Parish Second Collections	-	184	184	-	-	-	-	184
Diocesan Second Collections	-	116	116	-	-	-	-	116
National Second Collections	-	197	197	-	-	-	-	197
Grants	-	234	234	-	313	-	313	547
Other	137	-	137	-	-	-	-	137
Total	5,830	887	6,717	335	492	35	862	7,579

3. INCOME FROM CHARITABLE ACTIVITIES

Income from charitable activities consists of:

	2021 £'000	2020 £'000
School Contribution Scheme	305	326
Music Contribution Scheme	124	146
Youth Pilgrimages	-	172
Conference Fees	6	39
Cemetery Fees	321	287
Other	102	118
Total	858	1,088

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. INVESTMENT INCOME

	2021			
	Unrestricted Fund	Restricted Fund	Permanent Endowment Fund	Total Funds
	£'000	£'000	£'000	£'000
Income arising from:				
Investment Properties	340	5	-	345
Listed Investments	136	124	25	285
Total	476	129	25	630

	2020			
	Unrestricted Fund	Restricted Fund	Permanent Endowment Fund	Total Funds
	£'000	£'000	£'000	£'000
Income arising from:				
Investment Properties	387	6	-	393
Listed Investments	196	174	37	407
Total	583	180	37	800

5. TOTAL COST OF RAISING FUNDS

The total cost of raising funds consists of:

	2021	2020
	£'000	£'000
Interest Payable	4	10
Investment Management Fees	77	80
Hinsley Properties Limited Expenditure	680	1,016
Total	761	1,106

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. CHARITABLE EXPENDITURE

		2021 Aims of the Charity				
		Advancement of Catholic Religion	Promotion of Catholic Teaching	Care of Priests	Maintenance of Properties	Total
		£'000	£'000	£'000	£'000	£'000
Parishes	Grants Payable	38	-	-	-	38
	Other Direct Costs	492	14	1,166	2,655	4,327
	Support Costs	101	3	223	502	829
	Total	631	17	1,389	3,157	5,194
Curia	Grants Payable	95	33	340	-	468
	Other Direct Costs	356	839	367	384	1,946
	Support Costs	194	376	305	166	1,041
	Total	645	1,248	1,012	550	3,455
Total	Grants Payable	133	33	340	-	506
	Other Direct Costs	848	853	1,533	3,039	6,273
	Support Costs	295	379	528	668	1,870
	Total	1,276	1,265	2,401	3,707	8,649

		2020 Aims of the Charity				
		Advancement of Catholic Religion	Promotion of Catholic Teaching	Care of Priests	Maintenance of Properties	Total
		£'000	£'000	£'000	£'000	£'000
Parishes	Grants Payable	29	-	-	-	29
	Other Direct Costs	1,441	44	1,301	3,111	5,897
	Support Costs	224	7	198	510	939
	Total	1,694	51	1,499	3,621	6,865
Curia	Grants Payable	118	33	360	-	511
	Other Direct Costs	364	1,187	418	427	2,396
	Support Costs	169	426	272	143	1,010
	Total	651	1,646	1,050	570	3,917
Total	Grants Payable	147	33	360	-	540
	Other Direct Costs	1,805	1,231	1,719	3,538	8,293
	Support Costs	393	433	470	653	1,949
	Total	2,345	1,697	2,549	4,191	10,782

Support Costs have been apportioned across the four aims of the Charity by pro-rating those costs to the grants payable and other direct costs of the individual aims. Included in Support Costs are Governance Costs of £22k (2020: £22k).

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. ANALYSIS OF GRANTS PAYABLE

	2021			2020
	Grants to Institutions	Individuals	Total	Total
	£'000	£'000	£'000	£'000
Catholic Trust for England and Wales	67	-	67	71
Catholic Education Service	33	-	33	33
Clergy Retirement Grants	-	317	317	335
Seminarian Grants	-	23	23	25
Peru Mission	18	-	18	47
Local Organisations	48	-	48	29
	166	340	506	540

Grants paid to institutions are paid as a contribution to the running costs of charities with objectives similar to those of the Leeds Diocesan Trust. There were 46 (2020: 45) grants given for the benefit of Retired Clergy amounting to £317k (2020: £335k).

8. CLERGY COSTS

	Clergy Allowances		
	Parishes	Curia	Total
	£'000	£'000	£'000
2021	**606**	**153**	**759**
2020	701	151	852

These allowances relate to Clergy in active ministry.

9. EMPLOYMENT COSTS AND NUMBERS

Staff costs comprise the following:

	2021			2020
	Parishes	Curia	Total	Total
	£'000	£'000	£'000	£'000
Salaries and Wages	500	1,311	1,811	1,868
Employers' National Insurance	65	126	191	176
Pension Costs	6	86	92	66
Gross Employment Costs	571	1,523	2,094	2,110
Coronavirus Job Retention Scheme Grant	(116)	(349)	(465)	-
	455	1,174	1,629	2,110

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. EMPLOYMENT COSTS AND NUMBERS (continued)

During the year payments of £17k (2020: £Nil) were paid to seven (2020: None) employees in relation to statutory redundancy payments.

The number of employees who received a salary in excess of £60,000 per annum was as follows:

	2021	2020
£60,001 to £70,000	2	2
£70,001 to £80,000	-	-
£80,001 to £90,000	1	1
	3	3

The Diocese contributes, for eligible staff, to one of two qualifying defined contribution pension schemes which are fully compliant with the requirements of auto-enrolment. The schemes are managed by an independent firm of pension administrators. The Diocese matches employee contributions up to a maximum of 6 per cent of pensionable salary. Each member of staff has their own individual pension account within the schemes.

In addition, the Diocese makes contributions to the Teachers' Pension Scheme (England and Wales) (TPS), a defined benefits scheme, for eligible staff.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. Under the definitions set out in FRS 102 the TPS is a multi-employer pension scheme. The Charity has accounted for its contributions to the Scheme as if it were a defined contribution pension scheme.

The latest valuation of the TPS uses membership data as at 31 March 2016. As a result of this valuation the Charity paid a contribution rate of 23.68% with effect from 1 September 2019 (this includes the administration levy of 0.08%). This employer rate will be payable until the completion and outcome of the next actuarial valuation.

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. EMPLOYMENT COSTS AND NUMBERS (continued)

The average weekly number of full-time and part-time employees is analysed as follows:

	Total Diocesan Employees		
	Parishes	Curia	Total
2021	**82**	**65**	**147**
2020	125	68	193

10. DIRECTORS AND KEY MANAGEMENT PERSONNEL

The Directors do not receive any payments in respect of their Office. Directors who are members of the Clergy receive allowances and expenses for their work in active ministry which are paid by their Parish or by the Curia if they have a non-Parish role. No payments were made to Lay Directors in either the current year or the prior year. No reimbursement of expenses was paid to the Directors of the Trustee in either the current year or prior year.

The Charity considers that its key management personnel comprise the Directors and the Chief Operating Officer. The Directors did not receive any employment benefits in either the current year or the prior year. The Chief Operating Officer received total employment benefits in the year of £91,904 (2020: £90,280), including employers' National Insurance Contributions of £10,078 (2020: £9,990) and £Nil (2020: £Nil) of pension contributions.

Central to the fulfilment of the Charity's objectives is the role played by volunteers in ministries in the Parishes. It is not practical to collate the number of volunteers involved across all 78 Parishes and Diocesan agencies.

11. NET MOVEMENT IN FUNDS IN THE YEAR

Movement in net funds in the year is stated after charging:

	2021	2020
	£'000	£'000
Auditor's Remuneration		
- audit services	**21**	21
- other services	**1**	1
Depreciation of Owned Assets	**679**	629
Operating Lease Rentals	**40**	40

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. TANGIBLE ASSETS

Group

	Total Charity			Subsidiary			Total Group		
	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Leasehold Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost or valuation									
At 1 April 2020	36,353	2,408	38,761	1,894	468	2,362	38,247	2,876	41,123
Additions	1,801	-	1,801	-	5	5	1,801	5	1,806
Disposals	(64)	-	(64)	-	-	-	(64)	-	(64)
Transfers	(1,042)	-	(1,042)	-	-	-	(1,042)	-	(1,042)
At 31 March 2021	**37,048**	**2,408**	**39,456**	**1,894**	**473**	**2,367**	**38,942**	**2,881**	**41,823**
Depreciation and impairments									
At 1 April 2020	8,539	837	9,376	783	153	936	9,322	990	10,312
Charge for the year	545	49	594	38	47	85	583	96	679
Disposals	(9)	-	(9)	-	-	-	(9)	-	(9)
Transfers	(92)	-	(92)	-	-	-	(92)	-	(92)
At 31 March 2021	**8,983**	**886**	**9,869**	**821**	**200**	**1,021**	**9,804**	**1,086**	**10,890**
Net book value at 31 March 2021	**28,065**	**1,522**	**29,587**	**1,073**	**273**	**1,346**	**29,138**	**1,795**	**30,933**
Net book value at 1 April 2020	27,814	1,571	29,385	1,111	315	1,426	28,925	1,886	30,811

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. TANGIBLE ASSETS (continued)

Charity

	Parishes			Curia			Total Charity		
	Church Properties £'000	Church Contents £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost or valuation									
At 1 April 2020	26,257	2,383	28,640	10,096	25	10,121	36,353	2,408	38,761
Additions	1,801	-	1,801	-	-	-	1,801	-	1,801
Disposals	(19)	-	(19)	(45)	-	(45)	(64)	-	(64)
Transfers	(224)	-	(224)	(818)	-	(818)	(1,042)	-	(1,042)
At 31 March 2021	**27,815**	**2,383**	**30,198**	**9,233**	**25**	**9,258**	**37,048**	**2,408**	**39,456**
Depreciation and impairments									
At 1 April 2020	8,539	820	9,359	-	17	17	8,539	837	9,376
Charge for the year	545	48	593	-	1	1	545	49	594
Disposals	(9)	-	(9)	-	-	-	(9)	-	(9)
Transfers	(92)	-	(92)	-	-	-	(92)	-	(92)
At 31 March 2021	**8,983**	**868**	**9,851**	**-**	**18**	**18**	**8,983**	**886**	**9,869**
Net book value at 31 March 2021	**18,832**	**1,515**	**20,347**	**9,233**	**7**	**9,240**	**28,065**	**1,522**	**29,587**
Net book value at 1 April 2020	17,718	1,563	19,281	10,096	8	10,104	27,814	1,571	29,385

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. INVESTMENT PROPERTIES

	Charity			Subsidiary	Group
	Parishes	Curia	Total		Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2020	4,786	4,142	8,928	900	9,828
Disposals	(250)	(195)	(445)	-	(445)
Revaluations	2,277	29	2,306	300	2,606
Transfers	132	818	950	-	950
At 31 March 2021	**6,945**	**4,794**	**11,739**	**1,200**	**12,939**
Depreciation and impairments					
At 1 April 2020 and 31 March 2021	-	-	-	-	-
Net book value at 31 March 2021	**6,945**	**4,794**	**11,739**	**1,200**	**12,939**
Net book value at 1 April 2020	4,786	4,142	8,928	900	9,828

Investment Properties are valued on the basis of market value as defined in the RICS Valuation and Appraisal Manual (7th Edition) every five years. The last valuations were carried out by Sanderson Weatherall, Chartered Surveyors, on 31 March 2017 for the Charity's Investment Properties and on 26 February 2021 for the Subsidiary Investment Property.

In the intervening years a review of Investment Properties is carried out annually and an appropriate revaluation or impairment is made in the Statement of Financial Activities. In the Trustee's opinion, the net book value disclosed in the Balance Sheet reflects its best estimate of the fair value of Investment Properties at 31 March 2021.

The historic cost of the Group and Charity's Investment Properties at 31 March 2021 is £1,992k (2020: £2,191k).

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENTS

a) GROUP

Listed Investments

	2021	2020
	£'000	£'000
Movement in Fixed Asset Investments:		
Market value at 1 April	**11,471**	14,154
Investment Income	**285**	407
Net Unrealised Gain/(Loss) on Revaluation	**2,832**	(1,996)
Net Realised Gains in the Year	**341**	386
Investment Managers' Costs Deducted from Investments	**(79)**	(80)
Addition to Investments	**-**	40
Withdrawn from Investments	**(281)**	(1,440)
Market Value at 31 March	**14,569**	11,471
Analysis of Market Value of Investment by Type:		
Equities	**10,427**	8,040
Bonds	**2,321**	2,087
Properties	**212**	149
Alternative Investments	**1,301**	1,086
Cash	**308**	109
Market Value at 31 March	**14,569**	11,471
Analysis of Market Value of Investments between those held within and outside the United Kingdom:		
Within the United Kingdom	**8,074**	7,178
Outside the United Kingdom	**6,495**	4,293
Market Value at 31 March	**14,569**	11,471
Analysis of Market Value by Fund:		
Unrestricted	**9,014**	6,075
Restricted	**4,532**	4,375
Permanent Endowment	**1,023**	1,021
Market Value at 31 March	**14,569**	11,471
Historic Cost of Investments	**10,876**	10,640

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENTS (continued)

b) CHARITY

The investments of the Charity comprise:

	2021	2020
	£'000	£'000
Listed Investments (see Note 14(a) above)	14,569	11,471
Investment in Subsidiary Companies	2,415	1,503
	16,984	12,974

Investment in Subsidiary Companies
Hinsley Properties Limited (company registration number 2974080)

The Charity owns 100 per cent of the Ordinary share capital of the company. A provision of £88k (2020: £223k) has been made against the investment in this company in the year. The principal activities of the company were the operation of the Diocesan Pastoral Centre at Hinsley Hall, Leeds, and the management of an investment property, Cathedral Chambers.

A summary of the company's audited trading results for the year ended 31 March 2021 is shown below:

	2021	2020
	£'000	£'000
Turnover	34	793
Cost of Sales	(437)	(585)
Administrative Expenses	(253)	(391)
Other Operating Income	308	-
Rent paid to the Parent Undertaking	(40)	(40)
Operating Loss	(388)	(223)
Revaluation	300	-
Loss for the Financial Year	(88)	(223)

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. INVESTMENTS (continued)

b) CHARITY (continued)

A summary of the company's audited balance sheet at 31 March 2021 is shown below:

	2021	2020
	£'000	£'000
Fixed Assets	2,546	2,326
Net Current Liabilities	(131)	(823)
Total Assets	2,415	1,503
Called up Share Capital	1,500	1,500
Profit and Loss Account	915	3
Equity Shareholders' Funds	2,415	1,503

During the year, a restructure of the company's Equity Shareholders' Funds took place. On 23 June 2020, the Board approved a restructuring of the Share Capital of the company and this resulted in £1,000,000 of Share Capital being applied to Retaining Earnings. On 15 December 2020, the Board approved the issue of 1,000,000 Ordinary Shares at £1 each. On 18 December 2020, 1,000,000 Ordinary Shares were allocated to and fully paid (at par) by the parent undertaking, the Leeds Diocesan Trust.

Inter-Diocesan Fuel Management Limited

The Charity owns 11.1 per cent of the Ordinary share capital of the company. The company was set up and is owned with a number of other Dioceses in order to obtain competitively priced energy for the Diocese's properties.

Dormant Company

The trading subsidiary company, Hinsley Properties Limited, owns 100 per cent of the ordinary share capital of Hinsley Hall Limited.

Hinsley Hall Limited was dormant in both the current and prior year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. DEBTORS

	2021		
	Charity	Subsidiary	Group
	£'000	£'000	£'000
Trade Debtors	124	2	126
Gift Aid Tax Recoverable	450	-	450
Other Debtors and Prepayments	290	53	343
Grants Receivable	164	-	164
Amounts due from/(by) Subsidiary Company	150	(150)	-
	1,178	(95)	1,083

	2020		
	Charity	Subsidiary	Group
	£'000	£'000	£'000
Trade Debtors	219	37	256
Gift Aid Tax Recoverable	359	-	359
Other Debtors and Prepayments	177	38	215
Amounts due from/(by) Subsidiary Company	852	(852)	-
	1,607	(777)	830

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021		
	Charity	Subsidiary	Group
	£'000	£'000	£'000
Trade Creditors	4,287	34	4,321
Other Tax and Social Security	34	3	37
Accruals and Deferred Income	292	11	303
Other Creditors	164	3	167
	4,777	51	4,828

	2020		
	Charity	Subsidiary	Group
	£'000	£'000	£'000
Trade Creditors	3,438	20	3,458
Other Tax and Social Security	36	27	63
Accruals and Deferred Income	165	15	180
Other Creditors	196	2	198
	3,835	64	3,899

Included in Trade Creditors is £3,513k (2020: £2,176k) in respect of the School Building Programme for which the Diocese acts as agent. The Diocese is bound by agreement with each individual School and therefore has no discretion over the use of these funds. As agent, during the year the Diocese received £2,693k (2020: £3,085k) and made payments of £1,356k (2020: £3,697k). Also included in Trade Creditors is £108k (2020: £Nil) held on behalf of St Monica's Housing Trust Limited, a registered charity operating in the Diocese for the provision of accommodation for destitute women seeking asylum in the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. CAPITAL COMMITMENTS

The Diocese entered into a Private Finance Initiative (PFI) arrangement for the building of a school on 4 June 1999. The Leeds Diocesan Trust is obliged to make a payment of £115k per annum until August 2025. The payment is recognised as a charge to the Statement of Financial Activities in the year in which it is incurred.

In addition, the Diocese had capital commitments of £Nil at 31 March 2021 (2020: £1,250k).

18. OPERATING LEASES

At 31 March 2021 the Diocese had the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2021			2020
	Charity	Subsidiary	Group	Group
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	40	50	90	49
Between two and five years	47	177	224	100
	87	227	314	149

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS

a) Analysis of Unrestricted Fund Movements

For the year ended 31 March 2021

	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investments Gains/(Losses) £'000	At 31 March 2021 £'000
Parishes - Designated Funds	35,172	5,103	(4,696)	(1,296)	3,065	37,348
Curia - Designated Funds	2,781	-	(83)	-	-	2,698
Curia - General Funds	4,924	1,950	(3,565)	1,243	2,510	7,062
Curia - Unrestricted Funds	7,705	1,950	(3,648)	1,243	2,510	9,760
Total Group	42,877	7,053	(8,344)	(53)	5,575	47,108

For the year ended 31 March 2020

	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investments Gains/(Losses) £'000	At 31 March 2020 £'000
Parishes - Designated Funds	31,531	6,891	(5,989)	(1,387)	4,126	35,172
Curia - Designated Funds	2,864	-	(83)	-	-	2,781
Curia - General Funds	5,942	2,610	(4,100)	1,357	(885)	4,924
Curia - Unrestricted Funds	8,806	2,610	(4,183)	1,357	(885)	7,705
Total Group	40,337	9,501	(10,172)	(30)	3,241	42,877

The transfer of funds from Parishes to the Curia of £1,296k is for the annual assessment that is made on Parishes to enable the Diocese to meet its pastoral and charitable objectives. The annual assessment is made on each Parish in proportion to its income.

Unrestricted Funds for Parishes are classified as Designated Funds to reflect the autonomy of each Parish given to it under Canon Law. The Designated Funds will be spent over the lifetime of each Parish.

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS (continued)

b) Analysis of Restricted Fund Movements

	For the year ended 31 March 2021					
	At 1 April 2020	Income	Expenditure	Transfers	Investments Gains/(Losses)	At 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Parishes						
Parish Fundraising	236	694	(498)	(15)	-	417
Batley Carr Cockrem Fund	294	5	-	-	86	385
Total Parishes	530	699	(498)	(15)	86	802
Curia						
Priests' Retirement Fund	5,667	120	(317)	3	888	6,361
Peru Mission Fund	168	6	(18)	4	-	160
Poor Mission Fund	336	1	-	1	-	338
Episcopal Mensa Fund	58	1	(13)	-	18	64
Pastoral Development Fund	48	-	(16)	-	-	32
St Patrick's Mission Church	234	52	(14)	-	-	272
Priests' Training Fund	84	58	(75)	6	-	73
National Schools Singing Programme	-	375	-	-	-	375
Other Funds	159	46	(90)	54	-	169
Total Curia	6,754	659	(543)	68	906	7,844
Total Restricted Funds	7,284	1,358	(1,041)	53	992	8,646

	For the year ended 31 March 2020					
	At 1 April 2019	Income	Expenditure	Transfers	Investments Gains/(Losses)	At 31 March 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Parishes						
Parish Fundraising	331	887	(876)	(106)	-	236
Batley Carr Cockrem Fund	326	10	-	-	(42)	294
Total Parishes	657	897	(876)	(106)	(42)	530
Curia						
Priests' Retirement Fund	6,194	239	(335)	25	(456)	5,667
Peru Mission Fund	170	23	(47)	22	-	168
Poor Mission Fund	317	1	-	18	-	336
Episcopal Mensa Fund	75	1	(13)	-	(5)	58
Pastoral Development Fund	64	-	(16)	-	-	48
St Patrick's Mission Church	-	255	(21)	-	-	234
Priests' Training Fund	95	86	(125)	28	-	84
Other Funds	163	229	(246)	13	-	159
Total Curia	7,078	834	(803)	106	(461)	6,754
Total Restricted Funds	7,735	1,731	(1,679)	-	(503)	7,284

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS (continued)

b) Analysis of Restricted Fund Movements (continued)

The purposes of the principal funds are detailed below:

Priests' Retirement Fund:	This fund provides accommodation and allowances for Priests who have retired from active ministry.
Batley Carr Cockrem Fund:	This legacy has been invested for the specific benefit of St Joseph's Parish, Batley Carr.
Peru Mission Fund:	The Diocese supports the Church's mission in Peru.
Poor Mission Fund:	This fund provides assistance to less affluent Parishes and Religious Communities within the Diocese.
Episcopal Mensa Fund:	This fund supports the Bishop of Leeds and appeals at his discretion.
Priests' Training Fund:	This fund pays for the seminary fees and other costs associated with training men for the Priesthood.
St Patrick's Mission Church:	This is a Mission in the centre of Bradford and is operated jointly with the Franciscan Friars of the Renewal.
National Schools Singing Programme:	This fund is financed through a grant agreement with the Hamish Ogston Foundation. The grant agreement provides funding over five years for the development of the Schools Singing Programme both in the Diocese and through a collaborative project with other Catholic Dioceses throughout the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. ANALYSIS OF CHARITABLE FUNDS (continued)

c) Analysis of Permanent Endowment Fund Movements

Curia	For the year ended 31 March 2021				
	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 March 2021 £'000
Priests' Training Fund	750	19	(19)	-	750
Poor Mission Fund	82	2	(2)	-	82
Leeds Cathedral Music Fund	148	5	(3)	-	150
Mass Intentions Account	41	1	(1)	-	41
Total Endowment Funds	1,021	27	(25)	-	1,023

Curia	For the year ended 31 March 2020				
	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 March 2020 £'000
Priests' Training Fund	750	29	(29)	-	750
Poor Mission Fund	82	3	(3)	-	82
Leeds Cathedral Music Fund	83	38	(3)	30	148
Mass Intentions Account	41	2	(2)	-	41
Total Endowment Funds	956	72	(37)	30	1,021

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. NET ASSETS

	2021											
	Parishes Funds			Curia Funds				Total Group and Charity Funds			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000
Tangible Fixed Assets	20,347	-	20,347	10,586	-	-	10,586	30,933	-	-	30,933
Investment Properties	6,945	-	6,945	5,994	-	-	5,994	12,939	-	-	12,939
Fixed Asset Investments	-	383	383	9,014	4,149	1,023	14,186	9,014	4,532	1,023	14,569
Bank Balances (Cash and Overdrafts)	7,027	419	7,446	(9,064)	3,695	-	(5,369)	(2,037)	4,114	-	2,077
Other Net Current Assets / (Liabilities)	285	-	285	(4,026)	-	-	(4,026)	(3,741)	-	-	(3,741)
Inter Parishes and Curia Loans (net)	2,744	-	2,744	(2,744)	-	-	(2,744)	-	-	-	-
TOTAL NET ASSETS	**37,348**	**802**	**38,150**	**9,760**	**7,844**	**1,023**	**18,627**	**47,108**	**8,646**	**1,023**	**56,777**

	2020										
	Parishes Funds			Curia Funds				Total Group and Charity Funds			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Total £'000
Tangible Fixed Assets	19,280	-	19,280	11,531	-	-	11,531	30,811	-	-	30,811
Investment Properties	4,786	-	4,786	5,042	-	-	5,042	9,828	-	-	9,828
Fixed Asset Investments	-	293	293	6,075	4,082	1,021	11,178	6,075	4,375	1,021	11,471
Bank Balances (Cash and Overdrafts)	6,685	237	6,922	(7,460)	2,672	-	(4,788)	(775)	2,909	-	2,134
Other Net Current Assets / (Liabilities)	200	-	200	(3,262)	-	-	(3,262)	(3,062)	-	-	(3,062)
Inter Parishes and Curia Loans (net)	4,221	-	4,221	(4,221)	-	-	(4,221)	-	-	-	-
TOTAL NET ASSETS	35,172	530	35,702	7,705	6,754	1,021	15,480	42,877	7,284	1,021	51,182

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. RELATED PARTY TRANSACTIONS

The Diocese of Leeds Trustee is also the Trustee of one other registered charity, St John's Catholic School for the Deaf.

The Rt Rev Marcus Stock (Chair of the Trustee) is also a Trustee of a registered charity, Catholic Care (Diocese of Leeds). The Leeds Diocesan Trust made payments to Catholic Care in the year ended 31 March 2021 of £11k (2020: £17k) for care and other support services for retired Priests.

The Leeds Diocesan Trust operates a wholly owned trading subsidiary, Hinsley Properties Limited. Monsignor P Fisher is a Director of both the Diocese of Leeds Trustee and Hinsley Properties Limited.

During the year, the Charity received £50k (2020: £50k) in rents and management fees from Hinsley Properties Limited. At 31 March 2021 £150k (2020: £852k) was payable to the Leeds Diocesan Trust by Hinsley Properties Limited.