

**CATHOLIC CARE (DIOCESE OF LEEDS)**

(A company limited by guarantee)

**TRUSTEES' REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2017**

**Charity Number: 513063  
Company Number: 01633737**

# Catholic Care (Diocese of Leeds)

## Trustees' Report and Financial Statements

For the year ended 31 March 2017

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# Catholic Care (Diocese of Leeds)

## Trustees and Advisors

For the year ended 31 March 2017

Name of Company: Catholic Care (Diocese of Leeds)

Registered Address: 11 North Grange Road  
Headingley  
Leeds LS6 2BR

Telephone No: 0113 3885400

Status: Company Limited by Guarantee and a Registered Charity

Company Registration No: 01633737

Charity Registration No: 513063

The Trustees constitute Directors of the Charity for the purpose of the Companies Act 2006 and the Trustees are the officials of the Charity for the purpose of the Charities Act 1993. The following members were in office during the year ended 31 March 2017:

Right Rev Marcus Stock, Bishop of Leeds (Chair)  
Mr Timothy Parr (Vice Chair)  
Reverend Monsignor Peter Rosser  
Reverend Monsignor Donal Lucey  
Mr Stuart Hanlon  
Mrs Sue Rix  
Rev Dr Joseph Cortis  
Mrs Maureen Fletcher  
Mrs Bridget Smith (resigned 11 April 2017)

Company Secretary: Mrs Carol Hill

Senior Executives: Mrs Carol Hill (Director)  
Mr Stephen Johnson (Director of Finance) (resigned 29 April 2016)  
Mr Craig Beedle (Head of Finance) (appointed 4 April 2016)  
Ms Mary Simmons (Service Manager, Children & Young People)  
Ms Sharon Costello (Service Manager, Adult Learning Disabilities)  
Ms Janet Kent (Service Manager, Schools, Children & Family Wellbeing)

Auditors: Grant Thornton UK LLP  
No 1 Whitehall Riverside  
Leeds LS1 4BN

Solicitors: Grays  
Duncombe Place  
York YO1 7DY

Wrigleys  
19 Cookridge Street  
Leeds LS2 3AG

Bankers: Yorkshire Bank  
4 Victoria Place  
Manor Road  
Leeds LS11 5AE

Investment Managers: Standard Life Wealth  
Minerva House  
29 East Parade  
Leeds LS1 5PS

# **Catholic Care (Diocese of Leeds)**

## **Report of the Trustees (incorporating the strategic report)**

### **For the year ended 31 March 2017**

The Trustees present their annual report together with the audited financial statements of Catholic Care (Diocese of Leeds) for the year ended 31 March 2017.

#### **Objectives and activities**

The objects of the Charity are to promote, in the Roman Catholic Diocese of Leeds, the relief of those in need who are disadvantaged, vulnerable or marginalised. In order to achieve this we provide the following services:

##### **Adult Learning Disability Services**

Services delivered in three residential and eight supported living homes that focus on people's abilities and not their disabilities. During the year we cared for and supported 53 people (2016: 55 people).

##### **Children & Young People's Services**

Our services make a positive difference to the lives of children and young people through our residential care where we cared for nine young people (2016: nine) and our outreach for children with a learning disability, where we supported four children (2016: 15).

##### **Mental Health Service**

Our service focuses on the mental, physical and spiritual needs of people and is delivered in supported accommodation. During the year we supported 11 people (2016: 13).

##### **Schools, Children & Family Wellbeing Services**

Our qualified team of professionals provide advice, support and counselling for children, young people, families and school staff across 58 schools. During the year we held 16,936 1:1 sessions (2016: 16,821).

##### **Older People's Services**

Our community groups address loneliness and isolation. During the year 138 people (2016: 125) regularly attended these groups.

Our community outreach provides care and support in a person's own home, helping them to live independently for longer. During the year we supported and cared for 16 people (2016: 13) through this service.

##### **Community Services**

During the year, in addition to the older people's groups we have:

- run pregnancy and parenting services through our well established Gianna Project, supporting 97 referrals (2016: 80);
- set up two stay and play groups which address loneliness and isolation, offer peer support and create community with 40 attendees;
- set up a parental peer support group with 30 attendees;
- supported refugees and asylum seekers through the provision of clothes, food and baby equipment. We have also worked in partnership with the Diocese of Leeds and St. Monica's Housing Trust to provide a property offering short-term accommodation to destitute asylum seekers;
- started to develop the Embrace Project. The Charity is part of a national pilot project which supports parishes to engage with the older members in their communities to address loneliness and isolation.

#### **Public benefit**

The Trustees confirm they have complied with the requirement in Section 17 of the Charities Act 2011, to have due regard to public benefit in determining the activities undertaken by the Charity. As a charity, we are keen to emphasise the public benefit that we believe our work provides. Our services are available to people of all faiths and none living within the geographical area which coincides with the Roman Catholic Diocese of Leeds who are disadvantaged, vulnerable and marginalised.

#### **Volunteers and supporters**

We value the contribution of our volunteers who give freely of their time and skills. They are integral to our work and make such a positive difference to the sustainability of our community services. Volunteers enable us to offer a caring service in our community projects in keeping with our values. Our volunteers help us in many ways by: knitting clothes and blankets, making tea, baking cakes and, at stay and play, setting out tables and chairs, changing batteries and mending toys! We want every one of our volunteers to feel inspired, capable and empowered to make a positive difference to people's lives. During the year we recognised the importance of volunteers by awarding a 'Volunteer of the Year Award' at our "Oscars" evening.

**Catholic Care (Diocese of Leeds)**  
**Report of the Trustees (incorporating the strategic report)**  
**For the year ended 31 March 2017 (continued)**

**Fundraising**

We have two main annual fundraising events: the Annual Appeal which takes place in parishes across the Diocese on the fourth Sunday of Lent which raised £31,183 (2016: £28,004); and the Good Shepherd Appeal which takes place in the Catholic Schools across the Diocese. The children undertake a variety of inventive and fun activities to raise money for the Charity and raised an amazing £47,739 (2016: £44,643).

**Policies**

During the year we have reviewed all our policies, including our safeguarding policy, to ensure that our working practices are up to date for the benefit of our staff, volunteers and the people we provide services to.

**Financial performance**

During the year ended 31 March 2017 Catholic Care's income decreased by £248,522 (6.6%) to £3,520,465. This was due to a number of unrelated events including occupancy both in the children's home and one of our residential homes for adults with a learning disability, and the ending of four contracts delivered to the schools. Our total expenditure in delivering our services amounts to £3,616,672 (2016: £3,817,377), leaving a surplus after gains/losses on investments and defined benefit pension scheme respectively of £17,205 (2016: deficit of £103,034).

**Charitable activities**

<b>Adults Learning Disabilities</b>	<b>Year Ended 31.3.17</b>	<b>Year Ended 31.3.16</b>
People receiving care & support	52	52
Number of homes	11	11
Residential & supported places	52	52
Referrals to the service	4	4
People receiving outreach support	1	3
Income	£1,981,379	£2,092,651
% of total income	56%	55%
Expenditure	£1,978,908	£2,030,328

<b>Children &amp; Young People's Services</b>	<b>Year Ended 31.3.17</b>	<b>Year Ended 31.3.16</b>
People receiving care & support	9	9
Number of homes	1	1
Residential places	7	7
Referrals to the service	67*	9
Children supported with a learning disability through outreach	4	15
Income	£613,906	£646,747
% of total income	18%	17%
Expenditure	£564,942	£733,539

\* despite this high number of referrals, one room remained vacant throughout the whole of 2016/17. This highlights the difficulty in matching a new resident with an existing group of young people whilst maintaining the quality of care.

<b>Mental Health Service</b>	<b>Year Ended 31.3.17</b>	<b>Year Ended 31.3.16</b>
People receiving care & support	11	13
Number of homes	1	1
Supported flats	10	10
Referrals to the service	6	6
Income	£114,816	£112,850
% of total income	3%	3%
Expenditure	£135,995	£126,235

<b>Schools, Children &amp; Family Wellbeing Services</b>	<b>Year Ended 31.3.17</b>	<b>Year Ended 31.3.16</b>
People receiving care & support **	2,462	2,849
Number of schools served	58	62
Number of child protection cases	180	260
Income	£572,767	£621,996
% of total income	16%	16%
Expenditure	£628,752	£627,078

\*\* includes children, parents and school staff

**Catholic Care (Diocese of Leeds)**  
**Report of the Trustees (incorporating the strategic report)**  
**For the year ended 31 March 2017 (continued)**

<b>Older People's Services</b>	<b>Year Ended 31.3.17</b>	<b>Year Ended 31.3.16</b>
People receiving care & support	197	216
Number of community groups	9	7
People receiving outreach support	16	13
Income	£63,367	£51,819
% of total income	1%	1%
Expenditure	£45,691	£34,722

<b>Community Services</b>	<b>Year Ended 31.3.17</b>	<b>Year Ended 31.3.16</b>
People receiving care & support:		
Gianna Project	97	80
Stay and play groups***	40	N/A
Parental peer support***	30	N/A

\*\*\* new services started in the year

### Reserves policy

The Trustees reviewed the reserves policy during the year to ensure it both represents the Charity's requirements and meets with the Charity Commission's recommendations.

At the balance sheet date there were £5,089,973 of unrestricted reserves and negative restricted reserves of £52,096 designated for use in the provision of services to asylum seekers and refugees, and for the Huddersfield Deanery Project.

During the year the Trustees looked in detail at their five year strategic plan with particular reference to:

- its forecasts for levels of income for the current and future years, taking into account the reliability of each source of income and the prospects for developing new income streams;
- its forecasts for expenditure for the current and future years on the basis of planned activity;
- its analysis of any future needs, opportunities, commitments or risks, where future income alone is likely to fall short of the amount of the anticipated costs;
- its assessment, on the best evidence reasonably available, of the likelihood of a shortfall arising which means that reserves are necessary, and the potential consequences for the Charity of not being able to make up the shortfall;
- if the reserves policy is set at zero or a low level, its strategy for an orderly closure in the event of an unplanned shutdown and insolvency and particularly where there are vulnerable beneficiaries, the care of beneficiaries.

The Trustees have used this exercise to agree on the levels of reserves to be maintained over the forthcoming five years. The level of reserves and the progress towards the achievement of the strategic plan are reviewed on a regular basis as part of the management information presented at Trustees' meetings.

During the year we received donations that were restricted to the specific purpose of supporting refugees and asylum seekers. These were not fully spent by the end of the year. They are shown in a new restricted funds reserve on the balance sheet – see note 20. It is anticipated that these funds will be fully spent by the end of March 2019.

	<b>Year Ended 31.3.17</b>	<b>Restated Year Ended 31.3.16</b>
	£	£
Restricted funds		
Amenity funds	893	843
Diocesan Refugee Support Project	27,351	-
Huddersfield Deanery Project	(80,340)	(77,033)
	<u>(52,096)</u>	<u>(76,190)</u>
Unrestricted funds		
Designated Property funds	3,702,814	4,478,127
General funds	1,387,159	618,735
	<u>5,089,973</u>	<u>5,096,862</u>
Total funds	<u><u>5,037,877</u></u>	<u><u>5,020,672</u></u>

The general reserves are required by the Charity to meet its objectives of relieving those in need who are disadvantaged, vulnerable or marginalised; to provide working capital to support completion of its long-term development objectives; to deliver its current activities and, to allow the Trustees to meet their responsibilities and ensure the Charity continues as a going concern.

**Catholic Care (Diocese of Leeds)**  
**Report of the Trustees (incorporating the strategic report)**  
**For the year ended 31 March 2017 (continued)**

**Going concern**

The Trustees regularly review the needs, risks, challenges and prospects faced by the Charity and how these impact on the Charity's future performance. The Trustees do not have any doubts that the Charity will continue as a going concern for the foreseeable future.

Catholic Care predominately receives its income from the public sector, through local authorities and national benefit funding streams. It also receives funding through fundraising activities, donations, grants, commissioned services and the service users themselves.

The Trustees recognise the importance of diverse funding streams to protect against potentially harmful damage arising from the loss of one income stream and to achieve continued future stability of income.

**Constitution**

The Charity is registered as a charitable company limited by guarantee and is governed by its memorandum and articles as amended by special resolution, registered at Companies House on 5 February 2015, registered charity number 513063.

**Method of appointment or election of trustees**

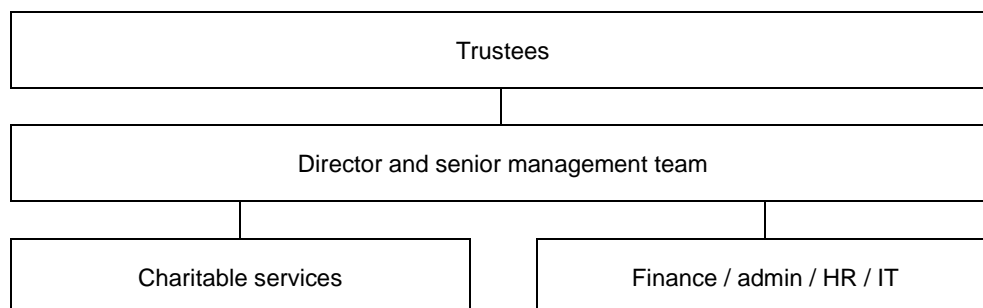
The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The persons notified to the Registrar of Companies as the first directors of the Charity were the Trustees of the Charity. Subsequent and future Trustees are appointed to the Charity by a simple majority of all the Trustees entitled to attend and vote at any meeting of the Trustees, following a formal recruitment process against criteria agreed by Trustees to ensure appropriate skills, abilities and diversity of the Trustee Board.

**Policies adopted for the induction and training of trustees**

The Charity has established a wider programme of support and training for new Trustee appointments including an induction process consisting of discussions with the Trustees, Director, and senior management team, guidance on the role and responsibilities of a Trustee and induction into the vision, mission and values of the Charity and the Articles of Association. The Trustees also undergo annual safeguarding training and regular visits to the Charities projects.

**Organisational structure and decision making**

The Charity has its headquarters based in Headingley, Leeds with a distributed network of staff throughout the Diocese of Leeds. The high-level organisation is illustrated below:



The Board of Trustees are the ultimate decision makers for the Charity with day-to-day management delegated to the Director and senior management team. The Finance and Property Committee (a formal subcommittee of the Trustee Board) has delegated authority for the financial control of the Charity. The Health and Safety Committee (a formal subcommittee of the Trustee Board) has delegated authority for the health and safety of the Charity.

The Board of Trustees meets on a quarterly basis. All meetings are minuted. In addition, the subcommittee meetings are also held quarterly, prior to each of the main Board meetings.

**Catholic Care (Diocese of Leeds)**  
**Report of the Trustees (incorporating the strategic report)**  
**For the year ended 31 March 2017 (continued)**

**Investment policy and performance**

The Trustees adopt an ethical investment policy which is committed to working towards justice and the fair treatment of all people. They are committed to investing the Charity's resources in organisations and businesses that promote just employment, respect finite resources of our environment and the dignity of people. The Trustees, in adopting an ethical investment policy, appreciate the underlying principle that their power of investment has to be used to further the purposes of the Charity and that those purposes will normally be best served by seeking the maximum return consistent with commercial prudence. The Trustees believe that their ethical policy can be consistent with this principle of seeking the best returns.

A significant amount of reserves are invested in a portfolio managed by Standard Life Wealth. The Charity's headline objective of this portfolio is for growth and the investment managers look to achieve this via a portfolio structure that aims for both income generation and long term capital growth. During the year the portfolio was relatively liquid to aid access to capital for development of new projects. Due to delays of these developments the investments were re-invested to maximise medium term growth. The Trustees are satisfied with the performance of the portfolio, which showed a growth of 19.07% in the year (2016: -3.02%).

**Prior year adjustment**

Following a detailed review of properties and investments it was identified that the Diocese of Leeds has a contractual right to £600,000 of the value of assets relating to property at 29 & 31 Moor Road, Headingley. This amount is included within provisions and is detailed in note 18. The contractual right existed during the year ended 31 March 2015 and has given rise to a prior year adjustment, which is detailed in note 24.

**Future developments**

The Trustees view the Charity as being comprised of both its regulated and community services. The Trustees are committed to maintaining the current regulated services and recognise the investment required to achieve this to enable these services to evolve to meet current need, best practice and delivery of high quality care and support. We aspire to achieve the following strategic goals:

- In our adult learning disability services we are working towards developing a new model of accommodation with care and support in line with the personalisation agenda. We are also well positioned to care for and support people in new supported homes.
- For the service delivered in schools, our goal is to retain our current contracts in an increasingly challenging financial environment and we aim to achieve this by adding value to our service through additional services including education psychologists and psychotherapeutic counsellors. We will also develop our working relationship with Catholic Multi Academy Trusts as the academisation initiative continues.
- We aim to add extra care to our older people's services through the provision of domiciliary care and support into apartment schemes.

In addition, the Trustees are committed to developing services in the community to enhance the Charity's mission of reaching out to those who are disadvantaged, vulnerable and marginalised. The Trustees aspire to achieve this strategic direction of travel through:

- Offering pregnancy and parenting services through its established Gianna Project.
- Supporting female prisoners in prison with their babies.
- Continuing to develop community groups for older people.
- Continuing to develop stay and play groups.
- Developing a project to support young carers in the Diocese.
- Supporting asylum seekers and refugees.

During the year the Trustees have taken the decision to sell a former childrens' home and surrounding land to release funds for investing in the Charity's future developments. This property was marketed after the year end and has been transferred from fixed assets to assets held for sale to reflect this change, as detailed in notes 11 and 14. The Charity is currently in discussions with a potential buyer of the property, with net proceeds expected to be in excess of £2.3m.



**Catholic Care (Diocese of Leeds)**  
**Report of the Trustees (incorporating the strategic report)**  
**For the year ended 31 March 2017 (continued)**

**Principle risks**

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A risk register is maintained and formally reviewed by Trustees annually and more frequently on an informal basis by the Senior Management Team.

The Trustees consider the principle risks to be:

- A fall in occupancy in each of our accommodation based services as a result of short/medium-term voids, or a change in service demands as a result of changing assessment criteria.
- Over supply of services in the specific care sector.
- Reduction in funding as a result of the change in funding streams.
- Failure of tender applications and non-renewal of contracts.
- Challenging financial environment in schools.
- Creation of multi academy trusts and the loss of decision making ability of local headteacher.
- Insufficient grant income.

We are looking at ways to address the above risks by:

- Diversification of services and hence funding streams.
- Increasing the number of grant applications.
- Growing our volunteer base and deepening their engagement, especially across the community services.

**Statement of Trustees' responsibilities**

The Trustees, who are also directors of the charitable company, are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the profit or loss of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company enabling them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report of the Trustees (incorporating the strategic report) was approved on 24 August 2017 and signed on their behalf by:



.....  
**Mr Timothy Parr - Vice Chair of Trustees**

# Independent auditor's report to the members of Catholic Care (Diocese of Leeds)

We have audited the financial statements of Catholic Care (Diocese of Leeds) for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Report of the Trustees (incorporating the strategic report) has been prepared in accordance with applicable legal requirements.

## Matter on which we are required to report under the Companies Act 2006

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

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Deborah Watson  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Leeds  
25 August 2017

# Catholic Care (Diocese of Leeds)

## Statement of Financial Activities (including income and expenditure account) For the year ended 31 March 2017

	Notes	2017 Unrestricted Funds £	2017 Restricted Funds £	2017 Total Funds £	Restated 2016 Total Funds £
<b>Income:</b>					
Income from donations and legacies	4	98,807	-	98,807	183,366
<i>Income from charitable activities:</i>					
Learning Disability Service		1,981,329	50	1,981,379	2,092,651
Children & Young People's Services		613,906	-	613,906	646,747
Mental Health Service		114,816	-	114,816	112,850
Post Adoption Service		2,809	-	2,809	298
Schools Service		572,767	-	572,767	621,996
Huddersfield Deanery Project		-	14,158	14,158	18,869
Older People's Groups & Outreach		49,209	-	49,209	32,950
Gianna Project		503	-	503	1,169
Diocesan Refugee Support Project		-	35,388	35,388	-
Embrace Project		5,713	-	5,713	-
<i>Income from other trading activities:</i>					
Christmas card sales		2,211	-	2,211	1,526
Investment income		28,799	-	28,799	56,565
<b>Total Income</b>		<b>3,470,869</b>	<b>49,596</b>	<b>3,520,465</b>	<b>3,768,987</b>
<b>Expenditure:</b>					
<i>Expenditure on raising funds:</i>					
Investment management costs		9,880	-	9,880	10,716
Rental property		63,000	-	63,000	66,048
<i>Expenditure on charitable activities:</i>					
Learning Disability Service		1,978,908	-	1,978,908	2,030,328
Children & Young People's Services		564,942	-	564,942	733,539
Mental Health Service		135,995	-	135,995	126,235
Post Adoption Service		43,599	-	43,599	63,409
Schools Service		628,752	-	628,752	627,078
Huddersfield Deanery Project		-	17,465	17,465	24,710
Growing Old Gracefully		114	-	114	104
Older People's Groups & Outreach		28,112	-	28,112	9,908
Gianna Project		27,625	-	27,625	22,701
Diocesan Refugee Support Project		-	8,037	8,037	-
Embrace Project		6,116	-	6,116	-
Governance		99,127	-	99,127	97,601
<i>Other expenditure:</i>					
Net Pension Interest	19	5,000	-	5,000	5,000
<b>Total expenditure</b>		<b>3,591,170</b>	<b>25,502</b>	<b>3,616,672</b>	<b>3,817,377</b>
<b>Net (expenditure) / income</b>		<b>(120,301)</b>	<b>24,094</b>	<b>(96,207)</b>	<b>(48,390)</b>
Distribution from bank administrators	8	1,939	-	1,939	4,847
Gains / (losses) on investments	12	164,473	-	164,473	(82,491)
Actuarial (losses) / gains on defined benefit pension schemes	19	(53,000)	-	(53,000)	23,000
<b>Net movement in funds</b>		<b>(6,889)</b>	<b>24,094</b>	<b>17,205</b>	<b>(103,034)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		5,096,862	(76,190)	5,020,672	5,123,706
<b>Total funds carried forward</b>	20	<b>5,089,973</b>	<b>(52,096)</b>	<b>5,037,877</b>	<b>5,020,672</b>

All income and expenditure relate to continuing activities. The statement of financial activities includes all gains and losses recognised in the year. The notes on pages 12 to 23 form part of these financial statements.

# Catholic Care (Diocese of Leeds)

Balance Sheet at 31 March 2017

	Notes	2017	2017	Restated	
		£	£	2016	2016
				£	£
<b>Fixed assets:</b>					
Tangible fixed assets	11		<b>3,573,517</b>		4,353,632
Investments	12		<b>1,143,431</b>		<u>960,362</u>
			<b>4,716,948</b>		5,313,994
<b>Current assets:</b>					
Debtors	13	<b>346,729</b>		462,827	
Assets held for sale	14	<b>724,600</b>		-	
Cash at bank and in hand		<b>366,518</b>		<u>264,672</u>	
		<b>1,437,847</b>		727,499	
<b>Liabilities:</b>					
Creditors falling due within one year	15	<b>(320,918)</b>		<u>(282,821)</u>	
<b>Net current assets</b>			<b>1,116,929</b>		444,678
<b>Total assets less current liabilities</b>			<b>5,833,877</b>		<u>5,758,672</u>
Provisions for liabilities	18		<b>(600,000)</b>		(600,000)
<b>Net assets excluding pension liability</b>			<b>5,233,877</b>		<u>5,158,672</u>
Defined benefit pension scheme liability	19		<b>(196,000)</b>		(138,000)
<b>Total net assets</b>			<b>5,037,877</b>		<u><u>5,020,672</u></u>
<b>The funds of the charity:</b>					
Restricted income funds	20		<b>(52,096)</b>		(76,190)
Unrestricted funds	20		<b>5,089,973</b>		<u>5,096,862</u>
<b>Total charity funds</b>	20		<b>5,037,877</b>		<u><u>5,020,672</u></u>

Approved by the Trustees on 24 August 2017 and signed on their behalf by :



.....  
Mr Timothy Parr - Vice Chair of Trustees

Company registration No: 01633737

The notes on pages 12 to 23 form part of these financial statements.

# Catholic Care (Diocese of Leeds)

## Statement of Cash Flows

For the year ended 31 March 2017

	Notes	2017 £	2017 £	2016 £	2016 £
<b>Cash flows from operating activities:</b>					
<b>Net cash used in operating activities</b>	<b>a</b>		<b>45,441</b>		<b>(40,993)</b>
<b>Cash flows from investing activities:</b>					
Dividends and interest from investments		28,799		56,565	
Proceeds from the sale of property, plant and equipment		800		35,000	
Purchase of property, plant and equipment		(50,160)		(166,686)	
Proceeds from sale of investments		353,318		481,427	
Purchase of investments		(276,352)		(223,319)	
<b>Net cash provided by investing activities</b>			<b>56,405</b>		<b>182,987</b>
<b>Change in cash and cash equivalents in the year</b>			<b>101,846</b>		<b>141,994</b>
<b>Cash and cash equivalents at the beginning of the year</b>			<b>264,672</b>		<b>122,678</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>b</b>		<b>366,518</b>		<b>264,672</b>

### Notes to the statement of cash flows

#### a Reconciliation of net expenditure to net cash flow from operating activities

	2017 £	2016 £
Net expenditure for the year	(96,207)	(48,390)
Depreciation charges	104,334	89,670
(Gains) / losses on investments	(95,562)	146,803
Dividends and interest from investments	(28,799)	(56,565)
Loss on the disposal of fixed assets	541	1,023
Difference between net pension expense and cash contribution	5,000	6,000
Distribution from bank administrators	1,939	4,847
Decrease / (increase) in debtors	116,098	(132,728)
Increase / (decrease) in creditors	38,097	(51,653)
<b>Net cash used in operating activities</b>	<b>45,441</b>	<b>(40,993)</b>

#### b Analysis of cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<b>366,518</b>	<b>264,672</b>

The notes on pages 12 to 23 form part of these financial statements.

# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements

For the year ended 31 March 2017

### 1 Charitable status

The Company is a registered Charity, number 513063 and is limited by guarantee. In the event of the Charity being wound up, the liability of each member is limited to £1. At 31 March 2017 there were nine members. The Company is registered in England and Wales. The functional currency is Sterling (£).

### 2 Accounting policies

#### a) Basis of preparation

The financial statements have been prepared under the historical cost convention, modified for the valuation of investments, which are shown at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP(FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity is not required to prepare consolidated financial statements, as the results of the wholly owned subsidiary Catholic Care (Enterprises) CIC are not material. These financial statements are for the charitable company only.

#### b) Preparation of the accounts on a going concern basis

Preparation of the accounts is on a going concern basis. The trustees are of the view that the levels of reserves will support the Charity going forward. Further details are included in the Report of the Trustees.

#### c) Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured readily.

Income from contracts is recognised as services are provided and the Charity becomes legally entitled to the income.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution.

#### d) Leases

Payments under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the life of the lease.

#### e) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on raising funds comprise the costs of management of the investment portfolio and the running costs associated with properties not currently occupied by the Charity;
- Expenditure on charitable activities includes the costs associated with activities undertaken to further the purposes of the Charity and their associated support costs;
- Other expenditure represents those items not falling into any other heading.

#### f) Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include head office costs, finance, administration and governance costs which support the charities activities. These costs have been allocated to the services within expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 6.

#### g) Tangible fixed assets

The Charity capitalises all capital items above £250. All fixed assets are held at cost.

##### (i) Fixtures, fittings and equipment

Fixtures, fittings and equipment are depreciated at 25% per annum, on a straight-line basis using the cost less any estimated residual values.

# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

### 2 Accounting policies (continued)

#### g) Tangible fixed assets (continued)

##### (ii) *Motor vehicles*

Motor vehicles are depreciated at 25% per annum on the reducing balance basis.

##### (iii) *Freehold & leasehold property*

Freehold & leasehold buildings are depreciated at 2% per annum on a straight-line basis using the cost.

##### (iv) *Assets under construction*

Assets under construction are not depreciated until they are available for use.

#### h) Financial instruments

The majority of the charitable company's financial assets and financial liabilities are of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, after any discounts. Non-basic financial instruments relate to investments, which are recognised at market value. Realised and unrealised gains and losses are released to the Statement of Financial Activities as they arise.

#### i) Debtors

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

#### j) Assets held for sale

Non-current assets and associated liabilities are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is highly probable. Assets designated as held for sale are held at the lower of carrying amount at designation and fair value less costs to sell. Depreciation is not charged against property, plant and equipment classified as held for sale.

#### k) Cash at bank and in hand

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

#### l) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### m) Pensions

##### (i) *Defined benefit*

The Charity participates in a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2016.

The Charity is an admitted body to the West Yorkshire Pension Fund which provides a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the charitable company. For the scheme, the service cost of the pension and the interest on pension scheme liabilities are shown as net expenditure within the Statement of Financial Activities, Income and Expenditure account. Actuarial gains and losses arising in the year from the difference between actual and expected returns on pension scheme assets and pension scheme liabilities and the effects of changes in demographics and financial assumptions are included in the Statement of Financial Activities, Income and Expenditure account.

Pension scheme liabilities are measured on an actuarial basis using a projected unit method and are discounted to their present value using the corporate bond rate.

Pension scheme assets are valued at market value at the balance sheet date.

The Charity's share of the pension scheme deficit is recognised in full on the balance sheet.

##### (ii) *Defined contribution*

The Charity also operates a Group Personal Pension Plan. Contributions paid into this arrangement are charged to the Statement of Financial Activities in the year to which they relate.

# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

### 2 Accounting policies (continued)

#### n) Fund accounting

*Unrestricted*: these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

*Designated*: these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

*Restricted*: these are funds that can only be used for particular restricted purposes imposed by the donor or funder within the objects of the Charity.

#### o) Prior period errors

Material errors resulting from an omission or misstatement in a prior period are corrected by restating the comparative amounts for the prior period in which the error occurred, or by restating the opening balance of the asset or liability for the item(s) for all prior periods for which comparative information is presented to the earliest date for which it is practicable.

### 3 Key judgements and estimates

Preparation of the financial statements requires the Trustees to make significant judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The items in the financial statements where these judgements, estimates and assumptions have been made include:

#### Valuations and useful economic lives of fixed assets

In assessing the carrying value of assets, the Trustees have used their judgement in selecting suitable valuation methods and inputs and in estimating the useful economic lives (UELs) of assets. UELs have been reviewed, with no changes being made.

#### Provisions

Provisions are recognised at the balance sheet date at the Trustees' best estimate of the expenditure required to settle the present obligation. The carrying amounts of provisions are reviewed annually and adjusted in light of any new information. Details surrounding provisions held at the year end are included in note 18.

#### Pensions

The Charity is an admitted body to the West Yorkshire Pension Fund (WYPF), which provides a defined benefit pension scheme for employees. The determination of the pension cost and defined benefit obligation of the Charity's share of the WYPF depends on the selection of certain assumptions which include the discount rate, inflation rate, salary growth and mortality. Differences arising from actual experience or future changes in assumptions will be reflected in subsequent periods. Note 19 provides information on the assumptions used in these financial statements.

### 4 Donations and legacies

	2017	2016
	£	£
Annual Appeal	31,183	28,004
Good Shepherd	47,739	44,643
Donations : general	16,253	22,612
Gift Aid	2,815	3,356
Legacies	817	84,751
	<b>98,807</b>	<b>183,366</b>



# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

5 Analysis of expenditure on charitable activities	Activities undertaken directly £	Support Costs (see note 6) £	2017 Total £	2016 Total £
Learning Disability Service	1,768,223	210,685	1,978,908	2,030,328
Children & Young People's Services	497,887	67,055	564,942	733,539
Mental Health Service	102,191	33,804	135,995	126,235
Post Adoption Service	37,020	6,579	43,599	63,409
Schools Service	567,237	61,515	628,752	627,078
Huddersfield Deanery Project	16,831	634	17,465	24,710
Growing Old Gracefully	114	-	114	104
Gianna Project	23,708	3,917	27,625	22,701
Diocesan Refugee Project	7,871	166	8,037	-
Embrace Project	5,594	522	6,116	-
Older People's Groups & Outreach	25,422	2,690	28,112	9,908
Governance (see note 6)	-	99,127	99,127	97,601
	<b>3,052,098</b>	<b>486,694</b>	<b>3,538,792</b>	<b>3,735,613</b>

### 6 Analysis of governance and support costs

The Charity initially identifies the costs of its support functions, which represent central administration costs. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs are apportioned between the charitable activities undertaken as shown below.

	General Support £	Governance Function £	Total £	Basis of apportionment
Audit and accountancy	-	12,360	12,360	Governance
Legal and professional	-	27,045	27,045	Governance
General office	39,265	10,525	49,790	Allocated on total staff costs
Office salaries, wages and related costs	224,020	36,234	260,254	Allocated on total staff costs
Service manager salaries, wages and related costs	102,676	-	102,676	Allocated on time
Head office property costs	21,606	12,963	34,569	Allocated on head office occupancy
	<b>387,567</b>	<b>99,127</b>	<b>486,694</b>	

### 7 Net expenditure for the year

	2017 £	2016 £
This is stated after charging:		
Operating leases - equipment	2,502	1,846
Depreciation	104,334	89,670
Auditor's remuneration:		
For the provision of audit services to the charitable company	12,360	12,000

### 8 Distribution from bank administrators

In early October 2008, the Icelandic bank Kaupthing collapsed and its UK subsidiary Kaupthing Singer & Friedlander Limited (KSF) went into administration. At the time of the administration, Catholic Care had £387,815 on deposit with KSF. In the accounts to 31 March 2009 the trustees made an impairment adjustment for this deposit of £194,000. In the year to 31 March 2017 an amount of 0.5 pence in the pound was received amounting to £1,939 (2016: 1.25 pence in the pound amounting to £4,847). The total amount received to 31 March 2017 was £326,717 (84.25p in the pound). The available information is not definitive and further adjustments may need to be made in future years. Administrators currently estimate that total dividends to non-preferential creditors should be in the range of 86p to 86.5p in the pound.

# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

### 9 Analysis of staff costs, Trustee remuneration and expenses and the cost of key management personnel

	2017	2016
	£	£
Wages and salaries	2,480,597	2,590,526
Social security costs	197,255	209,828
Pensions	108,311	116,324
Redundancy costs	-	9,975
	<u>2,786,163</u>	<u>2,926,653</u>

One employee earned more than £60,000 but less than £70,000 per annum in the current year (2016: one employee).

The Charity Trustees were not paid and did not receive any other benefits from employment with the Charity in the year (2016: £nil) neither did they receive payment for professional or other services supplied to the Charity (2016: £nil). Expenses were reimbursed to one Trustee during the year (2016: one), amounting to £97 (2016: £138) in respect of out of pocket travel expenses.

The key management personnel comprises the Trustees, the Director, the head of finance and the managers of the learning disability, children & young people's and the schools services. The total cost of the key management personnel of the Charity was £289,734 (2016: £276,172).

### 10 Staff numbers

The average monthly head count during the year was as follows:

	2017	2016
Learning disability service	88	86
Children & young people's services	18	24
Schools service	19	20
Administration	8	7
Mental health service	3	3
Other services	4	2
	<u>140</u>	<u>142</u>

### 11 Tangible fixed assets

	Assets under construction £	Freehold property and improvements £	Leasehold property and improvements £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 April 2016	137,217	4,090,593	240,000	232,253	43,030	4,743,093
Additions	6,710	29,529	-	6,921	7,000	50,160
Transfer to assets held for sale	-	(770,000)	-	-	-	(770,000)
Disposals	-	-	-	(97,685)	(4,845)	(102,530)
<b>At 31 March 2017</b>	<u>143,927</u>	<u>3,350,122</u>	<u>240,000</u>	<u>141,489</u>	<u>45,185</u>	<u>3,920,723</u>
<b>Depreciation</b>						
At 1 April 2016	-	131,400	9,600	214,043	34,418	389,461
Charge for the year	-	82,152	4,800	13,814	3,568	104,334
Transfer to assets held for sale	-	(45,400)	-	-	-	(45,400)
Disposals	-	-	-	(97,685)	(3,504)	(101,189)
<b>At 31 March 2017</b>	<u>-</u>	<u>168,152</u>	<u>14,400</u>	<u>130,172</u>	<u>34,482</u>	<u>347,206</u>
<b>Net Book Value</b>						
<b>At 31 March 2017</b>	<u>143,927</u>	<u>3,181,970</u>	<u>225,600</u>	<u>11,317</u>	<u>10,703</u>	<u>3,573,517</u>
At 31 March 2016	<u>137,217</u>	<u>3,959,193</u>	<u>230,400</u>	<u>18,210</u>	<u>8,612</u>	<u>4,353,632</u>

The Diocese of Leeds has a contractual right to £600,000 of the value of assets relating to property at 29 & 31 Moor Road, Headingley. This property is included within freehold property and improvements.

# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

### 12 Investments

	2017 £	2016 £
Balance at beginning of year	960,362	1,447,764
Additions	276,352	223,319
Disposals	(353,318)	(481,427)
Net movement in deposits	95,562	(146,803)
Net investment gains / (losses)	164,473	(82,491)
Balance at end of year	<u>1,143,431</u>	<u>960,362</u>

Investments are listed on a recognised stock exchange or are held in units of common investment funds where the values are calculated by reference to investments quoted on a recognised stock exchange.

At the year end no investment amounts to more than 7% of the portfolio value (2016: 4%).

	Market Value 2017 £	Market Value 2016 £
UK equities	371,762	398,128
Overseas equities	415,717	318,853
UK government bonds	69,270	138,042
Company bonds	147,464	62,880
Cash Funds	139,218	42,459
	<u>1,143,431</u>	<u>960,362</u>
Historical cost at end of year	<u>918,390</u>	<u>824,501</u>

In February 2014 the Charity established a wholly owned trading subsidiary, Catholic Care (Diocese of Leeds) Enterprises CIC. The subsidiary did not trade in the period from incorporation to 31 March 2017 and no consolidation is thus required. The investment in subsidiary undertakings represents 100% membership of a Company limited by guarantee of the following company incorporated in Great Britain:

Company Name	Registered in	Activity
Catholic Care (Diocese of Leeds) Enterprises CIC	England	To provide facilities for members of the community; operate a tea shop, café and Charity shop; and assist the charitable objectives or raise funds for the Charity.

### 13 Debtors

	2017 £	2016 £
Trade debtors	247,955	340,332
Prepayments and accrued income	77,525	100,865
Sundry debtors	21,249	21,630
	<u>346,729</u>	<u>462,827</u>

# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

### 14 Assets held for sale

	2017 £	2016 £
Property held for sale	<u>724,600</u>	-
	<u>724,600</u>	-

The property held for sale relates to a former children's home and surrounding land, which was transferred from fixed assets during the year. The Charity is currently in discussions with a potential buyer of the property, with net proceeds expected to be in excess of £2.3m.

### 15 Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	10,762	21,076
Accruals	93,623	71,200
Deferred income (see note 16)	66,398	39,110
PAYE & NIC	49,344	53,387
Other creditors	<u>100,791</u>	<u>98,048</u>
	<u>320,918</u>	<u>282,821</u>

### 16 Deferred income

	£
Balance as at 1 April 2016	39,110
Amount released to income earned from charitable activities	(39,110)
Amount deferred in year	<u>66,398</u>
Balance as at 31 March 2017	<u>66,398</u>

Deferred income comprises monies received in advance for social care and from grants, for which the income is spread over the period of the grant.

### 17 Financial instruments

	2017 £	2016 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure account	1,143,431	960,362
Financial assets measured at amortised cost	<u>635,722</u>	<u>626,634</u>
	<u>1,779,153</u>	<u>1,586,996</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>205,176</u>	<u>190,324</u>
	<u>205,176</u>	<u>190,324</u>

Financial assets measured at fair value through income and expenditure comprise investments.

Financial assets measured at amortised cost comprise cash and cash equivalents, trade and other debtors.

Financial liabilities measured at amortised cost comprise trade and other creditors and accruals.

# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

### 18 Provisions

	Property provision £
Cost at 1 April 2016 (restated) and 31 March 2017	<u><u>600,000</u></u>

Property provision

The Diocese of Leeds has a contractual right to £600,000 of the value of assets relating to property at 29 & 31 Moor Road, Headingley. Provision has been made in full to reflect this contractual right, which is due to be satisfied by a transfer of property assets. The dates of the transfer of assets are uncertain, but are currently anticipated to be between 2018 and 2020.

### 19 Pension commitments

The Charity operates a Group Personal Pension Plan on behalf of all employees who wish to join. The Royal London Mutual Insurance Society Limited administer the plan, the assets of which are held separately from those of the Charity. Contributions for the year ended 31 March 2017 were £105,084 (2016: £113,244). Contributions of £14,330 were payable at 31 March 2017 (2016: £15,171).

In addition, Catholic Care (Diocese of Leeds) is an admitted body to the West Yorkshire Pension Fund, which is a defined benefit scheme, for the benefit of certain employees. Benefits are based upon final pensionable pay. Pension contributions are charged to the Income and Expenditure account so as to spread the cost over the employees' working lives with the company. The total current service cost was £3,000 (2016: £4,000), the total past service credit was £nil (2016: £nil), the total curtailment cost was £nil (2016: £nil) and the total settlement credit was £nil (2016: £nil). The actual employer contributions paid during the year were £3,227 (2016: £3,080). The scheme is closed to new members.

The West Yorkshire Pension Fund is a multi-employer scheme. The assets of the scheme are administered by trustees in a fund independent from those of the Charity. Pension costs are assessed in accordance with the advice of a qualified actuary using the projected unit method. The most recent full actuarial valuation was carried out at 31 March 2016 and has been updated to 31 March 2017 by Aon Hewitt.

#### Reconciliation of funded status to balance sheet:

	2017 £	2016 £
Fair value of scheme assets	<b>897,000</b>	807,000
Present value of funded defined benefit obligation	<u><b>(1,093,000)</b></u>	<u>(945,000)</u>
Liability recognised on the balance sheet	<u><b>(196,000)</b></u>	<u>(138,000)</u>

#### Amounts recognised in the income and expenditure account:

	2017 £	2016 £
Operating cost:		
Current service cost	<b>3,000</b>	4,000
Financing cost:		
Interest on net defined liability	<u><b>5,000</b></u>	<u>5,000</u>
Pension expense recognised in income and expenditure	<u><b>8,000</b></u>	<u>9,000</u>

#### Amounts recognised in other comprehensive income:

	2017 £	2016 £
Asset gains / (losses) arising during the period	<b>135,000</b>	(20,000)
Liability (losses) / gains arising during the period	<u><b>(188,000)</b></u>	<u>43,000</u>
Total amount recognised in other comprehensive income	<u><b>(53,000)</b></u>	<u>23,000</u>

# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

### 19 Pension commitments (continued)

#### Changes in the present value of the defined benefit obligation are as follows:

	2017 £	2016 £
Opening defined benefit obligation	945,000	1,027,000
Current service cost	3,000	4,000
Interest cost	30,000	31,000
Contributions by scheme participants	1,000	1,000
Actuarial losses / (gains)	188,000	(43,000)
Benefits paid	(74,000)	(75,000)
Closing defined benefit obligation	<u>1,093,000</u>	<u>945,000</u>

#### Changes in the fair value of scheme assets are as follows:

	2017 £	2016 £
Opening fair value of scheme assets	807,000	872,000
Expected return on assets	25,000	26,000
Actuarial gains / (losses) on assets	135,000	(20,000)
Contributions by employer	3,000	3,000
Contributions by scheme participants	1,000	1,000
Benefits paid	(74,000)	(75,000)
Closing fair value of scheme liabilities	<u>897,000</u>	<u>807,000</u>

#### Actual return on assets:

	2017 £	2016 £
Interest income on assets	25,000	26,000
Gain / (loss) on assets	135,000	(20,000)
Actual return on assets	<u>160,000</u>	<u>6,000</u>

#### Asset allocation:

	2017	2016
Equities	77.2%	75.6%
Government bonds	10.1%	10.3%
Other bonds	3.9%	4.6%
Property	4.3%	4.9%
Cash	1.2%	1.3%
Other	3.3%	3.3%

#### Principal actuarial assumptions at the balance sheet date:

	2017	2016	2015
Discount rate	2.50%	3.30%	3.10%
RPI inflation	3.10%	2.80%	2.90%
CPI inflation	2.00%	1.70%	1.80%
Pension increases	2.00%	1.70%	1.80%
Pension Accounts revaluation rate	2.00%	1.70%	1.80%
Salary increase	3.25%	3.20%	3.30%
Mortality rates:			
Male member aged 65 at accounting date (in years)	22.1	22.7	22.6
Male member at 65, aged 45 at accounting date (in years)	23.0	24.9	24.8
Female member aged 65 at accounting date (in years)	25.2	25.6	25.5
Female member at 65, aged 45 at accounting date (in years)	27.0	28.0	27.8

# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

### 20 Funds

	Restated Balance at 1 April 2016 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 March 2017 £
<b>Restricted Funds</b>						
Amenity funds	843	50	-	-	-	893
Diocesan Refugee Support Project	-	35,388	(8,037)	-	-	27,351
Huddersfield Deanery Project	(77,033)	14,158	(17,465)	-	-	(80,340)
<i>Total Restricted Funds</i>	(76,190)	49,596	(25,502)	-	-	(52,096)
<b>Unrestricted Funds</b>						
Designated funds:						
Property	4,326,810	36,239	(86,952)	(724,600)	-	3,551,497
Property maintenance	151,317	-	-	-	-	151,317
	4,478,127	36,239	(86,952)	(724,600)	-	3,702,814
General funds	618,735	3,434,630	(3,504,218)	724,600	113,412	1,387,159
<i>Total Unrestricted Funds</i>	5,096,862	3,470,869	(3,591,170)	-	113,412	5,089,973
	<u>5,020,672</u>	<u>3,520,465</u>	<u>(3,616,672)</u>	<u>-</u>	<u>113,412</u>	<u>5,037,877</u>

#### Restricted Funds

##### *Amenity Funds*

These are funds for specific uses in the various projects.

##### *Diocesan Refugee Support Project Fund*

These are funds donated by parishes throughout the Diocese to be applied specifically for the Diocesan Refugee Support Project.

##### *Huddersfield Deanery Project Fund*

These are funds given to be applied specifically for the Huddersfield Deanery Project.

There is currently a deficit which the Trustees are considering ways in which this can be reversed.

#### Designated Funds

##### *Property Fund*

This fund represents the depreciated value of the functional properties which can not be disposed of without limiting the scope of the Charity's activities.

##### *Property Maintenance Fund*

This fund represents an amount designated by the Trustees for any future major repairs to properties.

### 21 Analysis of net assets between funds

	Net		Current Assets £	Long term Liabilities £	Total £
	Fixed Assets £	Investments £			
Restricted funds	-	-	(52,096)	-	(52,096)
Unrestricted funds:					
Designated funds	3,551,497	-	151,317	-	3,702,814
General funds	22,020	1,143,431	1,017,708	(796,000)	1,387,159
	<u>3,573,517</u>	<u>1,143,431</u>	<u>1,116,929</u>	<u>(796,000)</u>	<u>5,037,877</u>

# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

### 22 Capital commitment & Property development

Fixed assets under construction include the preliminary costs for the potential redevelopment of the properties at 29 & 31 Moor Road, Headingley, which has now been granted planning permission. The cumulative costs to date are £138,335.

There were no capital commitments at 31 March 2017 (2016: £nil)

### 23 Related party transactions

There were no related party transactions during the year (2016: £nil).

### 24 Restatement of comparatives

Following a detailed review of properties and investments it was identified that there is a contractual right of a third party to a material element of the value of the assets at 29 & 31 Moor Road, Headingley. This property is included within freehold property and improvements at the full cost less depreciation to date.

The contractual right existed during the year ended 31 March 2015 and is included within provisions and detailed in note 18. Accordingly, the comparative figures for this item have been restated.

#### Reconciliation of funds

	2016 Unrestricted Funds £	2016 Restricted Funds £	2016 Total Funds £
Total funds brought forward as previously stated	5,794,025	(70,319)	5,723,706
Adjustment for increase in provisions for liabilities	(600,000)	-	(600,000)
Total funds brought forward as restated	<u>5,194,025</u>	<u>(70,319)</u>	<u>5,123,706</u>
Total funds carried forward as previously stated	5,696,862	(76,190)	5,620,672
Adjustment for increase in provisions for liabilities	(600,000)	-	(600,000)
Total funds carried forward as restated	<u>5,096,862</u>	<u>(76,190)</u>	<u>5,020,672</u>

#### Reconciliation of provisions for liabilities

	2016 £
Provisions for liabilities as previously stated	-
Adjustment for increase in provisions for liabilities	600,000
Provisions for liabilities as restated	<u>600,000</u>

#### Reconciliation of funds and balances

	2016 £
Funds balance as previously stated	5,620,672
Adjustment for increase in provisions for liabilities	(600,000)
Funds balance as restated	<u>5,020,672</u>



# Catholic Care (Diocese of Leeds)

## Notes to the Financial Statements For the year ended 31 March 2017 (continued)

### 25 Statement of financial activities comparative note

	2017	2016	2016	2016
	Total	Restated	Restricted	Restated
	Funds	Unrestricted	Funds	Total
	£	Funds	Funds	Funds
	£	£	£	£
<b>Income:</b>				
Income from donations and legacies	98,807	183,366	-	183,366
<i>Income from charitable activities:</i>				
Learning Disability Service	1,981,379	2,092,651	-	2,092,651
Children & Young People's Services	613,906	646,747	-	646,747
Mental Health Service	114,816	112,850	-	112,850
Adoption Service	2,809	298	-	298
Schools Service	572,767	621,996	-	621,996
Huddersfield Deanery Project	14,158	-	18,869	18,869
Older People's Groups & Outreach	49,209	32,950	-	32,950
Gianna Project	503	1,169	-	1,169
Diocesan Refugee Support Project	35,388	-	-	-
Embrace Project	5,713	-	-	-
<i>Income from other trading activities:</i>				
Christmas card sales	2,211	1,526	-	1,526
Investment income	28,799	56,565	-	56,565
<b>Total Income</b>	<b>3,520,465</b>	<b>3,750,118</b>	<b>18,869</b>	<b>3,768,987</b>
<b>Expenditure:</b>				
<i>Expenditure on raising funds:</i>				
Investment management costs	9,880	10,716	-	10,716
Rental property	63,000	66,048	-	66,048
<i>Expenditure on charitable activities:</i>				
Learning Disability Service	1,978,908	2,030,298	30	2,030,328
Children & Young People's Services	564,942	733,539	-	733,539
Mental Health Service	135,995	126,235	-	126,235
Adoption Service	43,599	63,409	-	63,409
Schools Service	628,752	627,078	-	627,078
Huddersfield Deanery Project	17,465	-	24,710	24,710
Growing Old Gracefully	114	104	-	104
Older People's Groups & Outreach	28,112	9,908	-	9,908
Gianna Project	27,625	22,701	-	22,701
Diocesan Refugee Support Project	8,037	-	-	-
Embrace Project	6,116	-	-	-
Governance	99,127	97,601	-	97,601
<i>Other expenditure:</i>				
Net Pension Interest	5,000	5,000	-	5,000
<b>Total expenditure</b>	<b>3,616,672</b>	<b>3,792,637</b>	<b>24,740</b>	<b>3,817,377</b>
<b>Net expenditure</b>	<b>(96,207)</b>	<b>(42,519)</b>	<b>(5,871)</b>	<b>(48,390)</b>
Distribution from bank administrators	1,939	4,847	-	4,847
Losses on investments	164,473	(82,491)	-	(82,491)
Actuarial gains on defined benefit pension schemes	(53,000)	23,000	-	23,000
<b>Net Movement in Funds</b>	<b>17,205</b>	<b>(97,163)</b>	<b>(5,871)</b>	<b>(103,034)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	5,020,672	5,194,025	(70,319)	5,123,706
<b>Total funds carried forward</b>	<b>5,037,877</b>	<b>5,096,862</b>	<b>(76,190)</b>	<b>5,020,672</b>