

CATHOLIC CARE (DIOCESE OF LEEDS)

(A company limited by guarantee)

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

31 MARCH 2019

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

Catholic Care (Diocese of Leeds)

Trustees' Report and Financial Statements

For the year ended 31 March 2019

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Catholic Care (Diocese of Leeds)

Trustees and Advisors

For the year ended 31 March 2019

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 2019:

Right Rev Marcus Stock, Bishop of Leeds (Chair)
Mr Timothy Parr (Vice Chair)
Reverend Monsignor Peter Rosser
Reverend Monsignor Donal Lucey
Mrs Sue Rix
Rev Dr Joseph Cortis
Mrs Maureen Fletcher
Mrs Vivienne Birch (appointed 11 June 2018)
Mr Mark Davison (appointed 13 June 2018)

Company Secretary: Mrs Carol Hill

Senior Executives: Mrs Carol Hill (Director)
Mr Craig Beedle (Head of Finance)
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: BHP LLP
1st Floor Mayesbrook House
Lawnwood Business Park
Redvers Close
Leeds LS16 6QY

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: Aberdeen Standard Capital
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 2019

The Trustees present their annual report together with the audited financial statements of Catholic Care (Diocese of Leeds) for the year ended 31 March 2019.

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 two (2018: two) residential and nine (2018: nine) supported living homes. Our services focus on people's abilities and not their disabilities. During the year we cared for and supported 53 people (2018: 54 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 10 young people (2018: 10) and our outreach for children with a learning disability, where we supported four children (2018: four).

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 (2018: 12).

Schools, Children & Family Wellbeing Services

Our qualified team of professionals provide advice, support and counselling for children, young people, families and school staff across 55 schools. During the year we held 16,003 1:1 sessions (2018: 15,551).

Community Services

The Charity has continued to drive forward its community services during the year:

- community groups for older people address loneliness and isolation. During the year 273 people (2018: 236) regularly attended these groups. Also, through the Embrace project, the Charity was part of a national pilot project supporting parishes to engage with the older members in their communities to address loneliness and isolation;
- community outreach provides care and support in a person's own home to older people and adults with a learning disability, helping them to live independently. During the year we supported and cared for 21 people (2018: 21) through this service;
- through our Gianna Project we provide material assistance and caring support to mothers and babies in difficult circumstances. During the year 152 referrals (2018: 104) have been supported;
- our Young Carers project provides support and social activity and during the year has supported 41 young people (2018: 30);
- stay and play groups address loneliness and isolation, offer peer support and create community. During the year 120 regularly attended these groups (2018: 98);
- practical support, through the provision of baby clothes, toys and equipment, for women prisoners living with their babies in prison;
- responding to the call of Pope Francis by providing support to refugees and asylum seekers. This has involved much partnership working with other groups in the Diocese of Leeds and the community generally.
- community counselling provides a confidential counselling service for adults unable to see a way through their difficulties. During the first year of this service we supported 26 people.
- our Holiday Hunger project supports children and families during the summer school holidays. During the first year of this project we delivered 220 food hampers and provided 70 children with hot meals through supporting school holiday clubs in economically deprived areas.

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, serving meals, washing up 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.

Catholic Care (Diocese of Leeds)
Report of the Trustees (incorporating the strategic report)
For the year ended 31 March 2019 (continued)

Fundraising

The Charity has two main annual fundraising events: the Annual Appeal which takes place in parishes across the Diocese on the fourth Sunday of Lent which raised £33,537 (2018: £28,998); 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 amount of £46,464 (2018: £54,158). There was also a second diocesan wide refugee appeal during the year, which raised an amount of £29,931 (the first appeal raised £40,374 in 2016/17). The Charity does not engage in raising funds directly from the general public and does not use a professional fund-raiser or consider fundraising activities to be significant. The Charity will continue to monitor its sources of income and should it start to generate significant funds from fundraising activities will inform the fundraising regulator and take all necessary measures to ensure it complies with the guidance issued.

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 2019 Catholic Care's income increased by £358,258 (8.8%) to £4,070,281. This was due largely to an increase in contract values and fees for additional service user support required in the adult learning disability service. Our total expenditure in delivering our services for the year increased by £313,160 (8.4%) to £4,059,377.

Charitable activities

Adults Learning Disabilities	Year Ended 31.3.19	Year Ended 31.3.18
People receiving care & support	53	54
Number of homes	11	11
Residential & supported places	54	54
Referrals to the service	3	7
People receiving outreach support	3	2
Income	£2,194,195	£1,983,011
% of total income	54%	53%
Expenditure	£1,946,952	£1,856,109

Children & Young People's Services	Year Ended 31.3.19	Year Ended 31.3.18
People receiving care & support	10	10
Number of homes	1	1
Residential places	7	7
Children supported with a learning disability through outreach	4	4
Income	£729,344	£773,845
% of total income	18%	21%
Expenditure	£690,306	£647,776

Mental Health Service	Year Ended 31.3.19	Year Ended 31.3.18
People receiving care & support	11	12
Number of homes	1	1
Supported flats	10	10
Referrals to the service	1	5
Income	£119,309	£125,367
% of total income	3%	3%
Expenditure	£129,962	£129,149

Schools, Children & Family Wellbeing Services	Year Ended 31.3.19	Year Ended 31.3.18
People receiving care & support **	1,996	2,205
Number of schools served	55	55
Income	£494,767	£510,818
% of total income	12%	14%
Expenditure	£624,478	£603,658
Children receiving Safer Together Programme	4,054	2,338
Children receiving Mindfulness Sessions	30	1,221***

** includes children, parents and school staff

*** in 2008 mindfulness sessions were delivered on a whole school basis following a tragedy related to the school

Catholic Care (Diocese of Leeds)
Report of the Trustees (incorporating the strategic report)
For the year ended 31 March 2019 (continued)

Older People's Services	Year Ended 31.3.19	Year Ended 31.3.18
People receiving outreach support	21	21
Number of community groups	14	11
People attending community groups	273	236
Volunteers delivering services	33	36
Income	£167,459	£80,707
% of total income	4%	2%
Expenditure	£193,671	£125,719

Community Services	Year Ended 31.3.19	Year Ended 31.3.18
People receiving care & support:		
Gianna Project	152	104
Stay and play groups	120	98
Young Carers	41	30
Community counselling****	26	-
Holiday Hunger project*****	290	-

**** new service in 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 £6,115,941 of unrestricted reserves and £31,679 of restricted reserves for use in the provision of services to asylum seekers and refugees, and amenity funds for the Learning Disability Residential Homes. During the year the Trustees agreed to release the designated property maintenance fund back into general funds to more accurately reflect a continual programme of property maintenance which now occurs.

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. As a result of this analysis, the Trustees have decided to continue to allocate £150,000 of reserves to be spent on community projects during the year and also for the year ending 31 March 2020 where insufficient third-party funding is available;
- 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 a free reserves level of approximately 3-4 months worth of expenditure 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.

	Year Ended 31.3.19	Year Ended 31.3.18
Restricted funds	£	£
Amenity funds	993	943
Diocesan Refugee Support Project	30,686	14,148
	<u>31,679</u>	<u>15,091</u>
Unrestricted funds		
Designated Property funds	3,603,779	3,761,313
General funds		
Fixed assets funds	11,947	15,070
Free reserves	2,500,215	2,403,026
	<u>2,512,162</u>	<u>2,418,096</u>
Total unrestricted funds	<u>6,115,941</u>	<u>6,179,409</u>
Total funds	<u>6,147,620</u>	<u>6,194,500</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 2019 (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

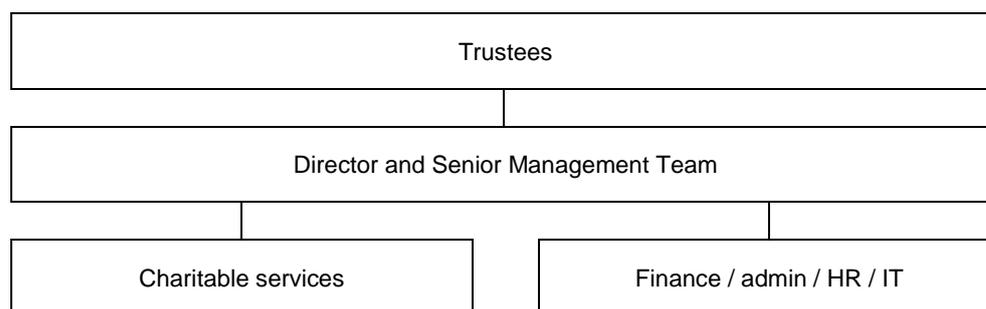
The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The persons notified to the Registrar of Companies as the first directors of the Charity were the Trustees of the Charity. Subsequent and future Trustees are 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 wide programme of support and training for Trustees and particularly 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 through the attendance of the Charity's induction day held for all staff. The Trustees are invited to attend an annual Charity Update Conference which is hosted by Wrigley's solicitors, they also undergo regular safeguarding training and regular visits to the Charities homes and 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. 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 Personnel Committee (a formal subcommittee of the Trustee Board) has delegated authority for the staff and volunteers 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.

The Trustees are covered by a third party Charitable Trustee Indemnity insurance, which forms part of the Charity's combined liability insurances.

Catholic Care (Diocese of Leeds)

Report of the Trustees (incorporating the strategic report)

For the year ended 31 March 2019 (continued)

Remuneration policy

Pay and benefits, including key management personnel remuneration, are set to recognise the value of the role and the level of responsibility. Pay and benefits are compared to benchmarks for similar roles in the charity sector and the level set based on the experience and skills required for the roles. The Charity also links its pay to the National Joint Council (NJC) for local government services scale points and implements annual pay increases as recommended by the NJC. The award was 2% at 1st April 2018 (2017: 1%).

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 two portfolios managed by Aberdeen Standard Capital. The Charity's headline objective of the first 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. The second portfolio is held for the purpose of funding future capital developments and is held in a portfolio structure that aims to maximise medium term growth. The overall performance of the investments during the year showed a small increase of 1.8% in the year (2018: fall of 0.19%), which reflects the general market conditions.

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. The anticipated costs of this project will be in the region of £1.4m, which the Charity held in its investment portfolio at 31st March 2019. We are also well positioned to care for and support people in new supported homes. We are currently working towards developing our site at Moor Road, in partnership with a third party, for which the anticipated net cost to the Charity will be in the region of £0.5m, which was held in the Charity's investment portfolio at 31st March 2019.
- 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 continually adding value to our service through additional services including education psychologists and psychotherapeutic counsellors. Additionally, during the year we delivered a new programme called "Safer Together", which works with children and young people looking at positive relationships with the aim of breaking the cycle of domestic violence. Grant funding from the Plater Trust was received to support this two year project. During the year the charity has continued with its pilot Young Carers project, which it will take forward, subject to receiving additional funding, offering support and social activity to those children and young people often isolated through caring responsibilities. We will also develop our working relationship with Catholic Multi Academy Trusts as the academisation initiative continues.
- Funding was received during the year from the 'Sisters of Cross & Passion' that will be used to set up a new 'Holiday Hunger' project to help families in need across the Diocese with food hampers over the summer holidays.
- 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.
- Supporting asylum seekers and refugees through community sponsorship.

Catholic Care (Diocese of Leeds)
Report of the Trustees (incorporating the strategic report)
For the year ended 31 March 2019 (continued)

Principal 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 principal 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 5th November 2019 and signed on their behalf by:



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

Catholic Care (Diocese of Leeds)

Independent Auditor's Report to the Members of Catholic Care (Diocese of Leeds)

Opinion

We have audited the financial statements of Catholic Care (Diocese of Leeds) (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, Balance sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2019, 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.

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 charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 trustees' report (incorporating the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Catholic Care (Diocese of Leeds)

Independent Auditor's Report to the Members of Catholic Care (Diocese of Leeds) (continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the [strategic report and the]⁴ directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BHP LLP

Michael Jackson (Senior Statutory Auditor)
For and on behalf of

Date: 5 November 2019

BHP LLP,
Chartered Accountants
Statutory Auditor

1st Floor Mayesbrook House
Lawnswood Business Park
Redvers Close
Leeds LS16 6QY

Catholic Care (Diocese of Leeds)

Statement of Financial Activities (including income and expenditure account) For the year ended 31 March 2019

	Notes	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Income:					
Income from donations and legacies	4	189,062	35,831	224,893	142,676
<i>Income from charitable activities:</i>					
Learning Disability Service		2,194,145	50	2,194,195	1,983,011
Children & Young People's Services		729,344	-	729,344	773,845
Mental Health Service		119,309	-	119,309	125,367
Post Adoption Service		7,352	-	7,352	-
Schools Service		494,767	-	494,767	510,818
Older People's Groups & Outreach		167,459	-	167,459	80,707
Gianna Project / Other Community Projects		19,093	-	19,093	1,198
Embrace Project		20,372	-	20,372	31,990
<i>Income from other trading activities:</i>					
Christmas card sales		2,018	-	2,018	1,068
Investment income		91,479	-	91,479	61,343
Total Income		4,034,400	35,881	4,070,281	3,712,023
Expenditure:					
<i>Expenditure on raising funds:</i>					
Investment management costs		19,183	-	19,183	10,963
Rental property		80,636	-	80,636	75,735
<i>Expenditure on charitable activities:</i>					
Learning Disability Service	5	1,946,952	-	1,946,952	1,856,109
Children & Young People's Services		690,306	-	690,306	647,776
Mental Health Service		129,962	-	129,962	129,149
Post Adoption Service		52,594	-	52,594	43,868
Schools Service		624,478	-	624,478	603,658
Growing Old Gracefully		318	-	318	267
Older People's Groups & Outreach		193,353	-	193,353	125,452
Gianna Project / Other Community Projects		101,853	-	101,853	60,164
Diocesan Refugee Support Project		1,117	19,293	20,410	20,332
Embrace Project		32,750	-	32,750	36,112
Governance	6	166,582	-	166,582	132,632
<i>Other expenditure:</i>					
Net Pension Interest	19	-	-	-	4,000
Total expenditure		4,040,084	19,293	4,059,377	3,746,217
Net income / (expenditure)		(5,684)	16,588	10,904	(34,194)
Distribution from bank administrators	8	969	-	969	4,847
Gains / (Losses) on investments	13	21,247	-	21,247	(25,842)
Gain on sale of assets held for sale	9	-	-	-	1,212,812
Actuarial losses on defined benefit pension schemes	19	(80,000)	-	(80,000)	(1,000)
Net movement in funds		(63,468)	16,588	(46,880)	1,156,623
Reconciliation of funds:					
Total funds brought forward		6,179,409	15,091	6,194,500	5,037,877
Total funds carried forward	20	6,115,941	31,679	6,147,620	6,194,500

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 13 to 23 form part of these financial statements.

Catholic Care (Diocese of Leeds)

Balance Sheet at 31 March 2019

	Notes	2019	2019	2018	2018
		£	£	£	£
Fixed assets:					
Tangible fixed assets	12		3,615,726		3,625,066
Investments	13		<u>3,112,121</u>		<u>1,141,283</u>
<i>Total fixed assets</i>			6,727,847		4,766,349
Current assets:					
Debtors	14	484,490		429,103	
Cash at bank and in hand		<u>145,721</u>		<u>2,178,027</u>	
<i>Total current assets</i>		630,211		2,607,130	
Liabilities:					
Creditors falling due within one year	15	<u>(610,438)</u>		<u>(377,979)</u>	
Net current assets			19,773		2,229,151
Total assets less current liabilities			<u>6,747,620</u>		<u>6,995,500</u>
Provisions for liabilities	18		<u>(600,000)</u>		<u>(600,000)</u>
Net assets excluding pension liability			<u>6,147,620</u>		<u>6,395,500</u>
Defined benefit pension scheme liability	19		-		<u>(201,000)</u>
Total net assets			<u><u>6,147,620</u></u>		<u><u>6,194,500</u></u>
The funds of the charity:					
Restricted income funds	20		31,679		15,091
Unrestricted funds	20		6,115,941		6,179,409
Total charity funds	20		<u><u>6,147,620</u></u>		<u><u>6,194,500</u></u>

Approved by the Trustees on 5th November 2019 and signed on their behalf by :



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

Company registration No: 01633737

The notes on pages 13 to 23 form part of these financial statements.

Catholic Care (Diocese of Leeds)

Statement of Cash Flows For the year ended 31 March 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities:					
Net cash used in operating activities	a		(87,998)		(8,190)
Cash flows from investing activities:					
Dividends and interest from investments		91,479		61,343	
Proceeds from the sale of property, plant and equipment		203		-	
Purchase of property, plant and equipment		(71,214)		(132,575)	
Proceeds from the sale of assets held for sale		-		1,937,412	
Proceeds from sale of investments		1,593,880		69,202	
Purchase of investments		(3,558,656)		(115,683)	
Net cash provided by investing activities			<u>(1,944,308)</u>		<u>1,819,699</u>
Change in cash and cash equivalents in the year			(2,032,306)		1,811,509
Cash and cash equivalents at the beginning of the year			2,178,027		366,518
Cash and cash equivalents at the end of the year	b		<u>145,721</u>		<u>2,178,027</u>

Notes to the statement of cash flows

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

	2019 £	2018 £
Net income / (expenditure) for the year	10,904	(34,194)
Depreciation charges	79,971	81,026
Net movement in deposits	15,185	22,787
Dividends and interest from investments	(91,479)	(61,343)
Loss on the disposal of fixed assets	380	-
Difference between net pension expense and cash contribution	-	4,000
Distribution from bank administrators	969	4,847
Increase in debtors	(55,387)	(82,374)
(Decrease) / increase in creditors (excluding transfer of pension liability to creditors)	(48,541)	57,061
Net cash used in operating activities	<u>(87,998)</u>	<u>(8,190)</u>

b Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>145,721</u>	<u>2,178,027</u>

The notes on pages 13 to 23 form part of these financial statements.

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements

For the year ended 31 March 2019

1 Charitable status

The Company is a private limited company registered in England and Wales and 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 2019 there were nine members. The address of the registered office is given in the Trustees and advisors section on page one of these financial statements. The financial statements are presented in Sterling (£), which is the functional currency of the Charity, and are rounded to the nearest £.

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 financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn. Catholic Care (Diocese of Leeds) meets the definition of a public benefit entity under FRS 102.

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.

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements For the year ended 31 March 2019 (continued)

2 Accounting policies (continued)

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.

(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) Investments

Investments in subsidiaries are stated at cost. Other investments are stated at fair value with changes in fair value being recognised in the Statement of Financial Activities.

i) Financial instruments

All 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.

j) 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.

k) 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.

l) 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.

m) 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.

n) Pensions

(i) *Defined benefit*

The Charity participated in a defined benefit pension scheme during the year and the pension charge is based on a full actuarial valuation dated 31 March 2016.

The Charity exited the West Yorkshire Pension Fund, which provides a defined benefit pension scheme for employees, on 31st October 2018 after the retirement of the last active member. 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. The shortfall in the fund of £281,000 at the exit date has been transferred to other creditors.

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements For the year ended 31 March 2019 (continued)

2 Accounting policies (continued)

n) Pensions (continued)

(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.

o) 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.

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.

Contingent liabilities

In assessing whether there are any contingent liabilities present the Trustees' have used their best estimate to ascertain possible but uncertain obligations and present obligations that are not recognised because they are not more likely than not to occur and / or the amount of the obligation cannot be estimated readily.

4 Donations and legacies

	2019	2018
	£	£
Annual Appeal	33,537	28,998
Good Shepherd	46,464	54,158
Refugee Appeal	29,931	4,986
Donations : for refugee support work	5,900	2,143
Donations : general	20,501	19,513
Gift Aid	3,686	3,773
Legacies	84,874	29,105
	<u>224,893</u>	<u>142,676</u>

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements For the year ended 31 March 2019 (continued)

5 Analysis of expenditure on charitable activities	Activities	Support	2019 Total £	2018 Total £
	undertaken directly £	Costs (see note 6) £		
Learning Disability Service	1,743,397	203,555	1,946,952	1,856,109
Children & Young People's Services	609,014	81,292	690,306	647,776
Mental Health Service	115,752	14,210	129,962	129,149
Post Adoption Service	46,186	6,408	52,594	43,868
Schools Service	566,644	57,834	624,478	603,658
Growing Old Gracefully	318	-	318	267
Older People's Groups & Outreach	187,581	5,772	193,353	125,452
Gianna Project / Other Community Projects	96,515	5,338	101,853	60,164
Diocesan Refugee Support Project	19,005	1,405	20,410	20,332
Embrace Project	30,232	2,518	32,750	36,112
Governance (see note 6)	-	166,582	166,582	132,632
	3,414,644	544,914	3,959,558	3,655,519

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	-	15,300	15,300	Governance
Legal fees	-	5,441	5,441	Governance
Other professional fees	-	43,404	43,404	Governance
General office	44,363	15,896	60,259	Allocated on total staff costs
Office salaries, wages and related costs	216,671	38,483	255,154	Allocated on total staff costs
Service manager salaries, wages and related costs	96,322	-	96,322	Allocated on time
Head office property costs	20,976	48,058	69,034	Allocated on head office occupancy
	378,332	166,582	544,914	

7 Net expenditure for the year

	2019 £	2018 £
This is stated after charging:		
Operating leases - equipment	2,451	2,451
Operating leases - motor vehicles	4,457	4,828
Depreciation	79,971	81,026
Auditor's remuneration:		
For the provision of audit services to the charitable company	15,300	15,120

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 of £194,000. In the year to 31 March 2019 an amount of 0.25 pence in the pound was received amounting to £969 (2018: 1.25 pence in the pound amounting to £4,847). The total amount received to 31 March 2019 was £332,534 (85.75p 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 86.75p to 87.0p in the pound.

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements For the year ended 31 March 2019 (continued)

9 Gain on sale of assets held for sale

In 2018 the Charity sold a former children's home and surrounding land, realising a gain of £1,212,812.

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

	2019 £	2018 £
Wages and salaries	2,697,870	2,510,020
Social security costs	203,909	200,001
Pensions	134,273	116,942
	<u>3,036,052</u>	<u>2,826,963</u>

One employee earned more than £60,000 but less than £70,000 per annum in the current year (2018: one employee).

The Charity Trustees were not paid and did not receive any other benefits from employment with the Charity in the year (2018: £nil) neither did they receive payment for professional or other services supplied to the Charity (2018: £nil). No expenses were reimbursed to Trustees during the year (2018: £nil) in respect of out of pocket travel expenses. The Trustees are covered by a third party Charitable Trustee Indemnity insurance, which forms part of the Charity's combined liability insurances.

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 £281,523 (2018: £268,505).

11 Staff numbers

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

	2019	2018
Learning disability service	93	88
Children & young people's services	16	16
Schools service	19	18
Administration	8	8
Mental health service	4	3
Other services	6	6
	<u>146</u>	<u>139</u>

12 Tangible fixed assets

	Assets under construction £	Freehold property and improvements £	Leasehold property and improvements £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2018	7,078	3,617,022	240,000	144,013	45,185	4,053,298
Additions	33,600	34,726	-	2,888	-	71,214
Disposals	-	-	-	-	(7,000)	(7,000)
At 31 March 2019	<u>40,678</u>	<u>3,651,748</u>	<u>240,000</u>	<u>146,901</u>	<u>38,185</u>	<u>4,117,512</u>
Depreciation						
At 1 April 2018	-	234,904	19,200	136,969	37,159	428,232
Charge for the year	-	69,743	4,800	3,421	2,007	79,971
Disposals	-	-	-	-	(6,417)	(6,417)
At 31 March 2019	<u>-</u>	<u>304,647</u>	<u>24,000</u>	<u>140,390</u>	<u>32,749</u>	<u>501,786</u>
Net Book Value						
At 31 March 2019	<u>40,678</u>	<u>3,347,101</u>	<u>216,000</u>	<u>6,511</u>	<u>5,436</u>	<u>3,615,726</u>
At 31 March 2018	7,078	3,382,118	220,800	7,044	8,026	3,625,066

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements For the year ended 31 March 2019 (continued)

12 Tangible fixed assets (continued)

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.

13 Investments

	2019 £	2018 £
Balance at beginning of year	1,141,283	1,143,431
Additions	3,558,656	115,683
Disposals	(1,593,880)	(69,202)
Net movement in deposits	(15,185)	(22,787)
Net investment (losses) / gains	21,247	(25,842)
Balance at end of year	<u>3,112,121</u>	<u>1,141,283</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 10% of the portfolio value (2018: 6%).

Three fund investments held at the year end were greater than 5%; Standard Life Investments SIA fund (10.1%), Vanguard Investments UK Ltd US Equity Index (9.2%), Standard Life Invs Mutual Funds Ltd Active Overlay Inst (7.3%)

	Market Value 2019 £	Market Value 2018 £
UK equities	1,244,043	466,240
Overseas equities	1,279,164	353,179
UK government bonds	150,515	69,812
Company bonds	338,255	136,776
Cash Funds	100,144	115,276
	<u>3,112,121</u>	<u>1,141,283</u>
Historical cost at end of year	<u>2,934,231</u>	<u>947,322</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 2019 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	Registered Office
Catholic Care (Diocese of Leeds) Enterprises CIC	England	Dormant company	11 North Grange Road Headingley Leeds LS6 2BR

14 Debtors

	2019 £	2018 £
Trade debtors	315,116	266,656
Prepayments and accrued income	167,490	152,357
Sundry debtors	1,884	10,090
	<u>484,490</u>	<u>429,103</u>

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements For the year ended 31 March 2019 (continued)

15 Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	25,398	26,773
Accruals	150,172	150,653
Deferred income (see note 16)	24,598	62,263
Other taxation	45,755	50,548
Other creditors	364,515	87,742
	<u>610,438</u>	<u>377,979</u>

16 Deferred income

	£
Balance as at 1 April 2018	62,263
Amount released to income earned from charitable activities	(62,263)
Amount deferred in year	24,598
Balance as at 31 March 2019	<u>24,598</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

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through income and expenditure account	3,112,121	1,141,283
Financial assets measured at amortised cost	462,721	2,454,773
	<u>3,574,842</u>	<u>3,596,056</u>
Financial liabilities		
Financial liabilities measured at amortised cost	540,085	265,168
	<u>540,085</u>	<u>265,168</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.

18 Provisions

	Property provision £
Cost at 1 April 2018 and 31 March 2019	<u>600,000</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 2020 and 2021.

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements For the year ended 31 March 2019 (continued)

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 2019 were £131,714 (2018: £113,187). Contributions of £21,086 were payable at 31 March 2019 (2018: £16,560).

In addition, Catholic Care (Diocese of Leeds) was an admitted body to the West Yorkshire Pension Fund during the year, 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 £2,000 (2018: £4,000), the total past service credit was £nil (2018: £nil), the total curtailment cost was £nil (2018: £nil) and the total settlement credit was £nil (2018: £nil). The actual employer contributions paid during the year were £2,559 (2018: £3,755). The Charity ceased its participation of the scheme on 31st October 2018, due to the retirement of the last active member. The shortfall at the exit date of £281,000 has been transferred to other creditors during the year.

Amounts recognised in the income and expenditure account:	2019	2018
	£	£
Operating cost:		
Current service cost	2,000	4,000
Financing cost:		
Interest on net defined liability	-	4,000
Pension expense recognised in income and expenditure	2,000	8,000

Amounts recognised in other comprehensive income:	2019	2018
	£	£
Asset gains / (losses) arising during the period	16,000	8,000
Liability losses arising during the period	(96,000)	(9,000)
Total amount recognised in other comprehensive income	(80,000)	(1,000)

Changes in the present value of the defined benefit obligation are as follows:	2019	2018
	£	£
Opening defined benefit obligation	1,063,000	1,093,000
Current service cost	2,000	4,000
Interest cost	13,000	26,000
Contributions by scheme participants	-	1,000
Actuarial losses	96,000	9,000
Benefits paid	(42,000)	(70,000)
Settlement of obligation - transferred to other creditors	(1,132,000)	-
Closing defined benefit obligation	-	1,063,000

Changes in the fair value of scheme assets are as follows:	2019	2018
	£	£
Opening fair value of scheme assets	862,000	897,000
Expected return on assets	13,000	22,000
Actuarial gains on assets	16,000	8,000
Contributions by employer	2,000	4,000
Contributions by scheme participants	-	1,000
Benefits paid	(42,000)	(70,000)
Settlement of obligation - transferred to other creditors	(851,000)	-
Closing fair value of scheme liabilities	-	862,000

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements For the year ended 31 March 2019 (continued)

20 Funds

	Restated Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 March 2019 £
Restricted Funds						
Amenity funds	943	50	-	-	-	993
Diocesan Refugee Support Project	14,148	35,831	(19,293)	-	-	30,686
<i>Total Restricted Funds</i>	15,091	35,881	(19,293)	-	-	31,679
Unrestricted Funds						
Designated funds:						
Property	3,609,996	68,326	(74,543)	-	-	3,603,779
Property maintenance	151,317	-	(35,473)	(115,844)	-	-
	3,761,313	68,326	(110,016)	(115,844)	-	3,603,779
General funds	2,418,096	3,966,074	(3,930,068)	115,844	(57,784)	2,512,162
<i>Total Unrestricted Funds</i>	6,179,409	4,034,400	(4,040,084)	-	(57,784)	6,115,941
	6,194,500	4,070,281	(4,059,377)	-	(57,784)	6,147,620

Restricted Funds

Amenity Funds

These are donated funds for specific uses in the Learning Disability and the Children & Young People's Services.

Diocesan Refugee Support Project Fund

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

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 represented a historic amount that had previously been designated by the Trustees for any future major repairs to properties. During the year the Trustees agreed to release this fund back into general funds to more accurately reflect a continual programme of property maintenance which now occurs.

21 Analysis of net assets between funds

	Fixed Assets £	Investments £	Net Current Assets £	Long term Liabilities £	Total £
Restricted funds	-	-	31,679	-	31,679
Unrestricted funds:					
Designated funds	3,603,779	-	-	-	3,603,779
General funds	11,947	3,112,121	(11,906)	(600,000)	2,512,162
	3,615,726	3,112,121	19,773	(600,000)	6,147,620

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements For the year ended 31 March 2019 (continued)

22 Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Within 1 year	6,908	6,908
Between 2 and 5 years	<u>7,853</u>	<u>14,761</u>
	<u><u>14,761</u></u>	<u><u>21,669</u></u>

23 Capital commitments

There were no capital commitments at 31 March 2019 (2018: £nil)

24 Related party transactions

There were no related party transactions during the year (2018: £nil).

Catholic Care (Diocese of Leeds)

Notes to the Financial Statements For the year ended 31 March 2019 (continued)

25 Statement of financial activities comparative note

	2019 Total Funds £	2018 Unrestricted Funds £	2018 Restricted Funds £	2018 Total Funds £
Income:				
Income from donations and legacies	224,893	135,547	7,129	142,676
<i>Income from charitable activities:</i>				
Learning Disability Service	2,194,195	1,982,961	50	1,983,011
Children & Young People's Services	729,344	773,845	-	773,845
Mental Health Service	119,309	125,367	-	125,367
Post Adoption Service	7,352	-	-	-
Schools Service	494,767	510,818	-	510,818
Older People's Groups & Outreach	167,459	80,707	-	80,707
Gianna Project	19,093	1,198	-	1,198
Embrace Project	20,372	31,990	-	31,990
<i>Income from other trading activities:</i>				
Christmas card sales	2,018	1,068	-	1,068
Investment income	91,479	61,343	-	61,343
Total Income	4,070,281	3,704,844	7,179	3,712,023
Expenditure:				
<i>Expenditure on raising funds:</i>				
Investment management costs	19,183	10,963	-	10,963
Rental property	80,636	75,735	-	75,735
<i>Expenditure on charitable activities:</i>				
Learning Disability Service	1,946,952	1,856,109	-	1,856,109
Children & Young People's Services	690,306	647,776	-	647,776
Mental Health Service	129,962	129,149	-	129,149
Post Adoption Service	52,594	43,868	-	43,868
Schools Service	624,478	603,658	-	603,658
Growing Old Gracefully	318	267	-	267
Older People's Groups & Outreach	193,353	125,452	-	125,452
Gianna Project	101,853	60,164	-	60,164
Diocesan Refugee Support Project	20,410	-	20,332	20,332
Embrace Project	32,750	36,112	-	36,112
Governance	166,582	132,632	-	132,632
<i>Other expenditure:</i>				
Net Pension Interest	-	4,000	-	4,000
Total expenditure	4,059,377	3,725,885	20,332	3,746,217
Net expenditure	10,904	(21,041)	(13,153)	(34,194)
Transfers between funds	-	(80,340)	80,340	-
Distribution from bank administrators	969	4,847	-	4,847
Gains / (losses) on investments	21,247	(25,842)	-	(25,842)
Gain on sale of assets held for sale	-	1,212,812	-	1,212,812
Actuarial losses on defined benefit pension schemes	(80,000)	(1,000)	-	(1,000)
Net Movement in Funds	(46,880)	1,089,436	67,187	1,156,623
Reconciliation of funds:				
Total funds brought forward	6,194,500	5,089,973	(52,096)	5,037,877
Total funds carried forward	6,147,620	6,179,409	15,091	6,194,500