

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2024

LEEDS DIOCESAN BOARD OF FINANCE

Company number - 8823593

Registered charity number – 1155876

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TRUSTEES REPORT 2024

The Trustees, who are also Directors for the purposes of company law, present their annual report, together with the audited financial statements, for the year ended 31 December 2024.

The Directors/Trustees are one and the same and in signing as Trustees they are also signing the strategic report sections in their capacity as Directors.

This combined report satisfies the legal requirements for:

- A Directors' Report of a charitable company;
- A Strategic Report under the Companies Act 2006; and
- A Trustees' Annual Report under the Charities Act 2011.

LEGAL OBJECTS

The Diocese of Leeds is one of 41 Dioceses which cover the whole of England. The Diocese covers West Yorkshire, the western part of North Yorkshire, and parts of South Yorkshire, Lancashire and County Durham. The Diocese comprises five Archdeaconries which form the Episcopal Areas. It covers an area of around 2,425 square miles, housing a population of around 2,642,400. The Diocese has 598 church buildings in 440 parishes with 302 stipendiary clergy, 82 self-supporting clergy and 447 clergy with Permission To Officiate ("PTO") along with 354 Readers, 85 authorised lay pastoral ministers and 41 chaplains. There are also 237 Church of England schools and 11 Multi-Academy Trusts serving some 64,000 pupils within the Diocese.

The Leeds Diocesan Board of Finance's ("LDBF") principal objective is to promote, assist and advance the work of the Church of England in the Diocese of Leeds by acting as the financial executive of the Leeds Diocesan Synod.

The LDBF has the following statutory responsibilities:

- i. The management of glebe property and investments to generate income to support the cost of stipends arising from the Endowment and Glebe Measure 1976;
- ii. The repair of benefice houses as the Diocesan Parsonage Board under the Repair of Benefice Buildings Measure 1972;
- iii. The management of investments and the custodians of assets relating to church schools under the Diocesan Board of Education Measure 1991; and
- iv. The custodians of permanent endowment and real property assets relating to trusts held by Incumbents and Archdeacons and by Parochial Church Councils ("PCC") as Diocesan Authority under the Incumbents and Churchwardens (Trusts) Measure 1964 and the Parochial Church Councils (Powers) Measure 1956.

The strategic priorities of the company are established by the Diocesan Synod in communication with Deanery Synods, PCCs and the Bishop of Leeds (in respect of his responsibility for the provision of the cure of souls). To this end, significant time and effort is committed to communication between and with these bodies, as well as with the church nationally.

STRATEGIC AIMS

The main role of the LDBF is to identify and manage the financial aspects of ministry and mission within the Diocese, so as to provide appropriate personnel and financial resources to assist the Diocesan Synod, Bishop's Council and parishes to further the mission and strategic priorities in the Diocese.

LDBF's principal activity is to promote, facilitate and assist with the work and purposes of the Church of England for the advancement of the Christian faith in the Diocese of Leeds.

LDBF's strategy for achieving its objectives is to develop and maintain a sound financial structure to enable it to continue supporting the clergy through the payment of stipends, manage parsonages and other ministerial housing, and also by providing other facilities and resources in support of the ministry of both clergy and lay people in parishes across the Diocese.

Diocese of Leeds Strategy

The Diocese of Leeds has a vision for confident Christians, who are part of growing Churches and transforming communities.

As Christians living and worshipping in the Diocese of Leeds we want to be faithful to our calling to be good news, share the Gospel and serve with steadfast purpose the communities in which we live.

Over the next 10 years our strategic aim is to be a Diocese:

- Confident in our mission - supporting churches to become confident in their purpose, and able to use their building, financial and time resources to achieve this.
- Confident in our future - ensuring the Diocese becomes sustainable, building on the work of the last few years to be efficient as well as effective.
- Confident in our leadership - giving support around leadership for everyone involved in serving in our churches.
- Confident in our witness - encouraging support for all to be confident in living and telling the good news of Jesus in a rapidly changing world, particularly reaching children and young people.

These four strategic pillars provide a structure and a focus for our vision. The pillars ensure we can align efforts through effective communication and implementation of our priorities.

In delivering the diocesan vision, teams are focusing on **Encouraging Confidence** as a simple way of defining our purpose and offer. It is a shorthand way of saying we are here to help parishes. Our collective purpose in every team is to encourage confidence in our parishes and schools in our mission, our future, our leadership and our witness.

Over time that will mean we adjust, start and also stop activities and areas of work. Taking advantage of future opportunities, whether through the provision of funding or through a reallocation of resources, we will ensure that it fits within this wider strategic framework.

We recognise that further intentional action is also required that goes beyond established work to make this strategy a reality. This is where **Barnabas: Encouraging Confidence the programme** gives new, funded resources to help churches move forward in mission.

Barnabas the programme is a specific programme of work. It has set objectives which are nationally funded with a defined programme team in place to deliver. The Barnabas programme team oversee the roll out of new initiatives as well as supporting churches in identifying needs. They will work closely with other diocesan teams as to how needs can be met as part of the wider Encouraging Confidence strategic approach. A number of programme outcomes can only be delivered through cross working with teams across the Diocese.

OBJECTIVES FOR THE YEAR

The objectives that were set for 2024 were:

- Seek to implement Barnabas, identifying emerging themes and expanding the offer, whilst ensuring there continues to be robust reporting systems in place;
- Refine plans for further projects in Episcopal Areas and beginning to pilot/test in advance of bids in 2025;
- Focus on continued improvement of training provision for parishes in relation to safeguarding as well as encouraging increased use of the Safeguarding Dashboard and Hub;
- Review all employee policies and look further at clergy wellbeing related policies;
- Develop a communications strategy with detailed stakeholder grid and accessible annual report;
- Support the development of distinctive Christian vision and leadership in our church schools and Trusts with a key focus on effective governance at all levels as a form of discipleship and vocation;
- Implement key system changes in Finance, Property and IT to ensure sustainable, secure and robust systems in place;
- Roll out Stock Condition Surveys across the entire property portfolio;
- Support the ongoing delivery of the multi-year land development plan, which will see the first sites brought to market and contracts exchanged;
- Promote ethnic diversity, combat racial injustice and enable widening participation in ministry and missional engagement;
- Continue to focus on the implementation of the Net Zero Carbon ('NZC') Action plan;
- Improve the use of data to drive decision making across all aspects of the LDBF's work;
- Continue to develop plans to drive up parish engagement with best stewardship practice and implement a new deployment process which reflects the financial reality; and
- We will mark and celebrate 10 years of the Diocese of Leeds. This will give us the opportunity to recognise all that has been achieved and to evaluate the wider benefits realised since the creation of the Diocese in 2014.

Through carrying out these objectives and in promoting the whole mission of the church (pastoral, evangelistic, social and ecumenical) the Trustees are confident (having had regard to Charity Commission guidance) that LDBF delivers public benefit through community engagement, resourcing education and supporting those in need both spiritually and physically.

ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

Support for the Diocese's mission and strategic aims is delivered by the Bishop and his senior team through the LDBF Board. The team is supported by a number of key advisers including Legal, HR, Finance, Education, Property and Safeguarding. The role of those employed to work in the central support of the Diocese is largely to:

- support and enable parishes in their engagement with their communities;
- advise and support the Synod, Leeds Board, Bishop's Staff Team and Board of Education in the formation of policy for the Diocese;
- support church schools, further and higher education institutions in terms of governance, religious education and collective worship, and buildings development;
- ensure suitable provision and training for the safeguarding of children and vulnerable adults;
- train and advise those holding positions of office and leadership in the Diocese;
- support the discernment, selection, recruitment, and training for those entering licensed and authorised ministry;
- undertake the statutory work of the Church of England in the Diocese of Leeds and the statutory work of the LDBF; and
- engage in the work undertaken nationally and internationally through support and representation on national boards, committees and working groups.

These objectives have been met in 2024. Key achievements include:

- Some 50% of our parishes had meaningful engagement with Barnabas. A further 77 people from 13 parishes took part in the Personal Growth and Leadership Course which encourages lay people and clergy to work together.
- 40 clergy engaged with leadership development work through a second cohort of the Confident Leadership for Missional Churches course and a further course called Reconciling Mission, and through various learning communities.
- A Rural Change Enabler joined the team, ensuring that the Barnabas offering is suitable across all our contexts and Compass: a tool to help any church, parish or benefice determine their next steps in mission was developed in 2024.
- Safeguarding support for parishes increased in 2024 with a restructuring and augmenting of the Safeguarding Team to improve both the service offered to parishes and the training given to clergy and laity.
- A new Communications Strategy was produced in 2024, including a detailed stakeholder grid. The use of the Communications Grid was expanded to enable better strategic planning and communications management.
- Relationships with our 236 schools and 10 multi-academy trusts continued to be the foundation of the Education Team. Supporting school leaders, including through the highly successful Pathway programmes, was a key priority and the Team continued its broad offer of training, visits and advice.
- Stock condition surveys of the whole property portfolio took place in 2024, giving a much clearer indication of what property improvements need to be made and what budget is required.
- Properties not required for clergy purposes were actively rented out on the open market and 2024 recorded our highest rental income at £1.3m compared with £1.1m in the previous year.
- Working towards NZC, interventions were made to a selected vicarage which included insulation, solar PV and a heat pump installation. We will learn from this pilot on how to approach other pilots during 2025.
- Saving Creation: A NZC Action Plan continued to be implemented across the Diocese. Key achievements included receiving Heat Decarbonisation Plans for 47 of 49 Voluntary Aided schools.
- The Diocese achieved an Eco Office Silver Award and we celebrated more individual Eco Church awards being achieved across the Diocese, with Bolton Abbey securing a Gold Award.
- The Treasurer Forum initiative began in June 2024 – quarterly advice meetings for treasurers from across the Diocese, which is co-planned and delivered by our Treasurer Ambassadors. There are 9 Treasurer Ambassadors with a presence in each EA, plus 8 additional treasurers offering support to other treasurers. Each Treasurer Forum meeting has attracted 50 + attendees.
- Give to Go Green ('GTGG') - the Diocese participated in 2 rounds of GTGG pilot scheme in 2024 which shows the benefits of digital giving. 11 parishes from our Diocese took part in each round and most reached or surpassed their fundraising targets using digital giving.
- The 10th Anniversary of the Diocese of Leeds was marked by the production of a commemorative booklet which celebrated the achievements of parishes and their communities. Printed copies were distributed to all parishes in sufficient numbers for it to be available throughout the year. The Leeds@10 booklet received very positive feedback and was produced at no expense to the Diocese.
- The Church Buildings and Pastoral Reorganisation team supported many parishes with developing plans for their buildings and ensured good governance structures for smooth day-to-day operation. The team's offer to parishes was enhanced by the addition of a nationally-funded Church Buildings Support Officer, who gave bespoke support to 45 churches and secured funding of £121,500 for a maintenance collective initiative which will be piloted in 2025.

Volunteers

The Diocese of Leeds is dependent on the huge number of people involved in church activities both locally and at diocesan level. We believe that the number of active volunteers (or volunteer hours) given to the mission and ministry of the church is a key indicator of the health of a church. The service provided to a community through church volunteering also has a significant impact on people's relationship to the church particularly at times of crisis. We greatly value the considerable time and support given by all the volunteers across the Diocese in pursuit of our mission. We do not include an estimate of the financial value of volunteering time in these accounts.

FUTURE PLANS

The major budget element continues to be directed towards supporting ministry and mission in every parish. The Trustees will continue to set annual budgets as appropriate and in line with the reserves policy. The ongoing objective is to resource diocesan needs, as determined by Synod and informed by local and National Church institutions.

In addition to the day-to-day activities of the LDBF, during 2025 we will:

- Continue to provide support to parishes as part of our Barnabas strategy. This includes rolling out courses and wider support initiatives, with detailed reporting supporting effective delivery;
- Prepare bids for further National Church strategic funding to support targeted work in Episcopal Areas;
- Work closely with National Church partners to seek additional funding which can be used to support parish ministry;
- Pilot alternative ways to support churches in meeting the maintenance challenges of looking after historical buildings;
- Provide additional support for Parish Safeguarding Officers whilst continuing to provide timely responses, manage risks and deliver safeguarding training;
- Offer training in every deanery, run events, provide parish support, and develop Growing Faith hubs;
- Deliver lay training with a specific focus on widening access. We will also support curate and Licensed Lay Ministry formation and provide community-specific training;
- Support the development of distinctive Christian vision and leadership in our church schools and Trusts with a key focus on effective governance at all levels as a form of discipleship and vocation;
- Implement a planned maintenance programme using the Stock Condition Survey outcomes;
- Continue to support the ongoing delivery of the multi-year land development plan, which will see the first sites brought to market and contracts exchanged;
- Commence a rolling three-year programme of Parish Share engagement with parishes; and
- Further promote ethnic diversity, combat racial injustice and enable widening participation in ministry and missional engagement.

These plans are a snapshot of our focus for the coming year. In delivery of our work we hold our values – and commit to acting in the following ways:

- **Loving** – we will celebrate success and appreciate the commitment of colleagues. Leaders will remain accessible and visible.
- **Living** – we will be present and personally engaged in our work and the work of others in Church House.
- **Learning** – we will be open to exploring new ideas, to listening to feedback and to learning from things which go well, and not so well.

FINANCIAL REVIEW

Financial Performance

In 2024 the LDBF recorded a net deficit before investment gains of £907,000 on unrestricted funds. This was £611,000 better than the prior year (2023: £1,518,000 deficit). The 2024 deficit includes the recognition of a usable pension surplus, to be used against future costs, with a net present value at 31 December 2024 of £1,339,000, which is the primary driver behind the improvement. This surplus is expected to be utilised over the next 7-10 years.

Additionally, 2024 saw the adoption of Total Return Accounting ('TRA') which means £505,000 of investment income generated from Stipends Fund Capital investments is reported as endowed income, where previously this would have been shown as unrestricted. Under TRA this income was transferred to unrestricted funds, along with an additional £300,000, as part of fund transfers. Therefore, the comparable deficit on unrestricted funds was £1,741,000 in 2024 vs £1,518,000 in 2023.

The Parish Share request for 2024 was £15,259,000 (2023: £15,749,000) and receipts relating to the 2024 request amounted to £11,760,000 (2023: £11,792,000), representing a collection rate of 77.1% (2023: 74.9%). In addition, Parish Share receipts of £211,000 were received against the historical share outstanding from previous years (2023: £181,000) and voluntary contributions of £175,000 were made (2023: £97,000).

Note 2 to the financial statements has been prepared in accordance with the guidance agreed nationally to show the total receipt of income from parishes including receipts for a previous year. The Trustees are grateful to all parishes for their Parish Share payments and especially to those parishes that make their Parish Share payments by monthly instalments, which is essential in controlling the Diocese's cash flow.

Expenditure from unrestricted funds on charitable activities decreased by £1,704,000 to £20,028,000 (2023: £21,732,000). This was largely due to a reduction in pension contributions following favourable valuations of both lay and clergy pension schemes, together with the recognition of the remaining usable surplus as noted above.

Across all the funds, the capital value of investments increased by £607,000 (2023: £1,838,000). Of the increase, £61,000 related to unrestricted investments (2023: £233,000).

In order to support the unrestricted position, fund transfers were made from restricted funds where expenditure was incurred within the general fund that was eligible for those funds.

Five properties with a combined value of £1,995,000 were transferred from Benefice Housing to unrestricted funds during the year following the completion of Pastoral Schemes. The properties will continue to be used to provide clergy housing if required but sold or rented out if no ministerial need exists. One property with a value of £650,000 was transferred from unrestricted funds to Benefice Housing as a replacement parsonage following a pastoral scheme, whilst another, was transferred to the pastoral fund at a value of £595,000 and is currently being marketed for sale. Following an impairment review, this property has been revalued to £500,000.

As noted above, following the adoption of TRA on 1 January 2024, £805,000 of unapplied total return was transferred from the Stipends Capital Fund to Unrestricted Funds.

As a result of the above, there was an overall funds increase of £563,000 (2023: £23,010,000 increase) of which £1,605,000 (2023: £5,587,000 increase) related to unrestricted funds.

The Trustees have prepared a budget for 2025 based on a 3% increase in stipend and salary costs and

targeting Parish Share income of £12,313,000. Including the transfer of £1,150,000 from restricted reserves to fund applicable activities, the budget is for a deficit of £1,545,000. It is expected that property sales will be used to support the cash and free reserves position.

External factors affecting performance

The Parish Share, which is contributed by PCCs towards the ministry and other costs of the Diocese, is a voluntary contribution and is budgeted to provide 63% of the Diocesan income in 2025.

Principal funding sources

In 2024, 63.5% (2023: 59.7%) of unrestricted income of the LDBF came from the Parish Share and 13.0% (2023: 13.2%) from the National Church.

Financial sustainability

LDBF has sound financial management, however, the Trustees remain conscious of the risks associated with the Parish Share fund collection and inflating costs and therefore its ability to adequately resource diocesan activity. It is now clear Parish Share is unlikely to return to pre Covid-19 levels and budgets have been adjusted accordingly. Whilst operating deficits are expected to continue for some time, the Trustees are confident these can be absorbed through carefully managing expenditure; the appropriate utilisation of both unrestricted and restricted reserves (e.g. Pastoral Fund and Stipends Fund); and the time-limited sale of surplus property. Alongside this, funding from the Archbishops' Council continues to be used to invest in growing missional and financial strength in the Diocese. The Trustees are also monitoring the outcome of the ongoing National Diocesan Funding Review.

Going concern

The financial statements have been prepared on a going concern basis. The Trustees have taken note of the guidance issued by the Financial Reporting Council on Going Concern Assessments in determining that this is the appropriate basis of preparation of the financial statements and have considered a number of factors. As noted above, operating deficits are expected to continue for some time but the Trustees are confident that the Balance Sheet remains strong and is sufficient to absorb deficits that may arise over the near term. This will be done by carefully managing expenditure; the appropriate utilisation of both unrestricted and restricted reserves (e.g. Pastoral Fund and Stipends Fund); and the time-limited sale of surplus property. As a consequence, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Key Management remuneration policy

The policy for remunerating key management is in accordance with the salary scales approved annually by the Leeds Diocesan Board.

Significant Property Transactions

The net book value of land and buildings purchased and disposed of during the year totalled £1,839,000 and £2,505,000 respectively. The Leeds Board's policy is:

- to replace unsuitable properties;
- to accommodate the changing geographical deployment of clergy within the Diocese;
- to dispose of properties for which there is no ministry need and which do not provide reasonable investment returns; and

- to realise development potential in some properties, thereby using our resources more effectively for the ministry of the Church.

During the year three properties were purchased, two as replacement parsonage properties and one glebe property.

Also during the year, eight properties were sold. Of the properties sold, five were DBF properties (either being surplus curates' properties or former vicarages transferred to the DBF as part of pastoral schemes), two were parsonage properties where replacement properties had been, or will be, purchased and one was a glebe property.

Balance Sheet position

The Trustees consider that the Balance Sheet together with details in note 24 show broadly that the restricted and endowment funds are held in an appropriate mix of investment and current assets given the purposes for which the funds are held. While the net assets at the Balance Sheet date totalled £221.8m (2023: £221.3m), it must be remembered that included in this total are properties, mostly in use for the ministry, whose value amounted to £172.7m (2023: £173.6m). Much of the remainder of the assets shown in the Balance Sheet are held in restricted and endowed funds, and cannot necessarily be used for the general purposes of the LDBF.

Reserves policy

Free reserves

The Reserves Policy sets a target free reserves range of £4.1m to £5.5m. The lower bound is based on an analysis of income sources and their potential vulnerability against budgeted performance – the largest portion of this relating to Parish Share (£2.5m). The upper bound remains based on 3 months budgeted unrestricted expenditure for the following financial year. The Trustees define the free reserves as the Unrestricted Net Current Assets plus the unrestricted unlisted investments. Actual free reserves as at 31 December 2024 totalled £5.7m (2023: £5.9m). The decrease from 2023 is due to the operating deficit (excluding the pension surplus to be utilised in more than one year), partly offset by unrestricted property sales and the increase in investment valuations.

Unrestricted general funds

The general fund comprises net assets amounting to £57.4m of which £52.8m relates to tangible fixed assets, £2.7m investments and £4.5m current assets, partly offset by long-term liabilities of £2.7m.

Unrestricted designated funds

The Trustees may designate additional unrestricted reserves to be retained for an agreed purpose where this is considered to be prudent. Such designated reserves are reviewed on an annual basis and returned to the general fund in the event that the purpose of their designation is no longer considered to be adequate justification for their retention. A description of each reserve together with the intended use of the reserve is set out in note 24. At 31 December 2024 total designated reserves were £782,000 (2023: £794,000).

Restricted and endowment funds

As set out in note 23 LDBF holds and administers a large number of restricted and endowment funds. As at 31 December 2024 restricted funds totalled £18.7m (2023: £17.8m) and endowment funds totalled £145.0m (2023: £146.9m). These funds are not available for the general purposes of the LDBF.

Grant making policy

Grants are made to the National Church to cover a proportion of its central costs and also to cover the cost of training for ministry (see note 12 to the financial statements). Grants are paid to other connected charities and to other charitable projects, which support the furtherance of LDBF's objectives.

Fundraising

The LDBF provides guidance to the parishes with regards to fundraising, but does not engage in fundraising activities itself. Due regard is given to the Fundraising Code of Practice set by the Fundraising Regulator when providing advice to the parishes.

Investment policy

LDBF's investment policies are based on two key policies:

The Trustees have a policy to invest in accordance with the ethical investment policy of the Church of England Ethical Investment Advisory Group - this includes ensuring that investments are held in companies, which have high standards of corporate governance and act in a responsible way towards stakeholders.

Long-term responsibilities - the Trustees are aware of their long-term responsibilities in respect of endowed funds and as a result follow a correspondingly prudent approach to investment decisions. Investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for the preservation of capital value and the possible need to realise investments to meet operational needs. The glebe investments are held for the purpose of raising income to achieve the maximum contribution possible to clergy stipends on an ongoing basis. Unrestricted and restricted fund investments are invested to balance income, liquidity and the maintenance of capital.

The LDBF is empowered by its memorandum of association to invest monies not immediately required for its purposes. In addition, the LDBF acts as trustee of a number of trust funds, and these must be invested in accordance with the related trusts. The LDBF's policy is to review regularly the assets of each fund for which it is responsible, in relation to the purposes of each fund, and to identify appropriate investment vehicles. Note 24 provides details of the assets of each fund, together with the related purposes, and Note 17 summarises the movements in investments during the year.

During the year the LDBF divested its holdings in the CBF Church of England Property Fund and reinvested the proceeds in the CBF Church of England Investment Fund, on the basis that the long-term total return of the Investment Fund is expected to exceed that of the Property Fund. This follows the adoption of TRA on 1 January 2024, which allows for the utilisation of excess capital growth - £300k was accessed under TRA in 2024 (see note 18).

The CCLA investments total return performance against the benchmarks in 2024 were:

	Fund	Benchmark
CBF Church of England Investment Fund	5.09%	15.31%
CBF Church of England Property Fund	6.14%	5.39%

The five year performance against the benchmark and the benchmark composites are available from the CCLA and can be found on their website¹.

¹<https://www.ccla.co.uk/documents/cbf-church-england-funds-quarterly-bulletin-31-december-2024/download?inline>

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees are responsible for the identification, mitigation and/or management of risk. To achieve this a risk register is maintained, which includes all risks identified, along with owners, mitigating actions and review dates. The register is maintained by management on an ongoing basis and is subject to review by the Audit Committee twice a year and by the Trustees on an annual basis, though an updated register is presented to the Board at every meeting. The responsibility for delivery of the mitigation strategies identified by the register are delegated to the Diocesan Secretary.

The risk register identifies key areas where the risk of either failure to act or the impact of the events is considered 'high'. These areas and the associated mitigation strategies are:

Parish Share: Collection is considerably less than the budget resulting in a deficit on general funds.

- Accurate budgeting of Parish Share receipts to enable expenditure to be appropriately aligned;
- Collection statistics are produced and circulated on a monthly basis to track performance and identify potential issues early;
- Area personnel are expressly tasked with identifying, reporting on and supporting those parishes where there is considered to be a significant risk of under-collection;
- A rolling three-year programme of Parish Share engagement with parishes.

Financial Risk: The risk of failing to achieve approved budget or having insufficient liquid resources to meet liabilities as they fall due.

- The financial position is closely monitored at department level, with regular reports circulated and regular meetings held with budget holders by the CFO and/or Finance Manager;
- Regular reporting to FAIC and the LDBF;
- A Cost Review exercise was presented to the Board in February 2021, which identified three levels of cost savings and are being implemented as required;
- A clear purchase authorisation process is in place; and
- The implementation of Total Return Accounting from 1 January 2024 in order to enable some of the capital growth in the Stipends Capital Fund to be used to support the operational budget.

Safeguarding & Inclusion: Where there is an occurrence of child, vulnerable adult or domestic abuse by someone working for or on behalf of the Church or involved in the life of the Church.

- The Diocese employs a strong safeguarding team that includes specialist training support;
- Policies are aligned with those of the national church;
- All parishes are instructed to adopt and implement the National Church's safeguarding policy;
- Training is compulsory for all relevant staff and volunteers - failure to complete the training results in the removal of the ability to undertake roles and functions;
- A new safeguarding case management system has been implemented, along with a safeguarding dashboard for all parishes to use; and
- The Diocesan Safeguarding Advisory Panel, with an independent chair, continues to provide oversight on policy and practice.

STRUCTURE AND GOVERNANCE

Summary Information about the structure of the Church of England

The Church of England is the established church and HM The King is the Supreme Governor. It is organised into two provinces (Canterbury and York) and 41 Dioceses. Each Diocese is a See under the care of a Bishop, who is charged with the cure of souls of all the people within that geographical area. This charge is shared with priests within benefices and parishes, which are sub-divisions of the Diocese.

The National Church has a General Synod comprised of ex-officio and elected representatives from each Diocese. It agrees and lays before Parliament measures for the governance of the Church's affairs which, if enacted by Parliament, have the force of statute law. In addition to the General Synod, the Archbishops' Council has a coordinating role for work authorised by the Synod; the Church Commissioners manage the historic assets of the Church of England; and the Church of England Pension Board administers the pension schemes for clergy and lay workers. Each Diocese is episcopally lead and synodically governed. The Diocese itself is divided into 21 deaneries, each with its own Deanery Synod. Within each parish there is a parochial church council, which shares with the parish priest responsibility for the mission of the church in that place, in a similar way to that in which the Bishop shares responsibilities with the Diocesan Synod.

Whilst each Diocese is a separate legal entity with a clear responsibility for a specific geographical area, being part of the Church of England requires and enables each Diocese to seek support from and application for partnership with neighbouring Dioceses.

Parochial Church Council ("PCC")

The PCC is the elected governing body of an individual parish which broadly is the smallest pastoral area in the Church of England. Typically, each parish has one parish church. The PCC is made up of the incumbent as chair, the churchwardens and a number of elected and ex officio members. Each PCC is a charity and, in compliance with the Charities Act 2011, the majority of PCCs are currently exempt from registration with the Charity Commission. Since October 2008 all PCCs with gross income above £100,000 for the year are required to register with the Charity Commission. Except where shown, the transactions of PCCs do not form part of these financial statements. Financial statements of an individual PCC can be obtained from the relevant PCC treasurer.

Parishes

A benefice is a parish or group of parishes served by an incumbent who typically receives a stipend and use of a parsonage house from the Diocese for carrying out their duties.

A deanery is a group of parishes over which an Area Dean has oversight and an archdeaconry is a group of deaneries for which an Archdeacon is responsible.

The Diocese is then the principal pastoral, and in turn financial and administrative, resource of the Church of England, encompassing the various archdeaconries under the spiritual leadership of the Diocesan Bishop.

Organisational structure

The Leeds Diocesan Board of Finance ("LDBF") is a company limited by guarantee (No. 8823593) and a registered charity (No. 1155876) governed by its Memorandum and Articles of Association.

The company's principal activity is to assist, promote and further the religious and other charitable work of the Church of England within the Diocese of Leeds. It was incorporated in December 2013.

The Members of LDBF under company law have a personal liability limited to £1 under their guarantee as company Members in the event of it being wound up.

Governance and policy of the Diocesan Board of Finance is the responsibility of the Diocesan Synod members, who are also members of the company. Following the changes in governance approved in March 2015, the Bishop of Leeds is the ex-officio Chair of the Diocesan Board of Finance. The trustees are the Diocesan Bishop, the Area Bishops, one Archdeacon, one Dean, the Chair of the House of Clergy of the Diocesan Synod, the Chair of the House of Laity of the Diocesan Synod, two Clergy and four lay people elected from and by the members of Diocesan Synod every three years, along with five people nominated by the trustees of the Diocesan Board of Finance and ratified by the Diocesan Synod. The most recent elections were held in October 2024. The details of Trustees who served during the year are set out on page 19.

The Diocesan Synod, the statutory governing body of the Diocese, is an elected body drawn from across the Diocese with responsibility for setting the vision and strategy of the Diocese, guided by the Leeds Board. The Diocesan Synod membership is elected every three years, the last general elections having been April – June 2024. The Synod elects six of the 21 Trustees of the Diocesan Board of Finance, and ratifies the nomination of a further five members. The appropriate House of the Synod elects the Chair of their House. The Chair of the House of Clergy and the Chair of the House of Laity of the Diocesan Synod are ex-officio members of the Leeds DBF. The LDBF is a separate legal entity with a governing memorandum and articles of association and has clear responsibilities under both company and charity law. Additionally, the LDBF is subject to the direction of the Synod in all its activities, unless such direction is not in accordance with the governing documents or statutory regulations.

The main features of the Diocesan Synod approved governance model are:

- Diocesan Synod members are the Members of the LDBF company.
- There is a single Board that combines the functions of the Standing Committee of Synod, the LDBF, Bishop's Council, Diocesan Mission & Pastoral Committee and the Parsonages Board, thereby bringing together all major policy, strategy and financial issues into one forum. The core of this Board is a set of Trustees elected and selected for their skills, experience and background appropriate to the nature of the business in hand.
- Area Mission & Pastoral Sub-Committees with delegated responsibilities enabling priorities for Mission and Ministry within each episcopal area to be determined locally, with local representation from deaneries.
- Advisory groups designed to enable lay and clergy input to all aspects of Diocesan business on an enduring or as required basis.

Decision-making structure

The Board is the Standing Committee of the Synod and addresses the issues of strategies, policies and priorities (including all financial aspects) needed to implement the overall vision. It is accountable directly to the Synod and includes all the functions of the traditional statutory boards.

The Diocesan Mission and Pastoral Committee delegates significant responsibilities relating to mission and pastoral activities to Area Mission & Pastoral Sub-Committees, thereby enabling the Area Bishops with local representatives to formulate local priorities. Deanery Synods are represented on Area Mission & Pastoral Sub-Committees and these are reflected in the Mission & Pastoral Constitution.

The Diocesan Advisory Committee and the Strategic Safeguarding Committee are highly specialised in their work and content, and these remain as separate entities.

Each Area Bishop is accountable to the Diocesan Bishop for the delivery of Mission and Ministry within the Area in line with delegated responsibilities laid down in Instruments and other formal measures.

The Diocesan Secretary is accountable for the functions of officers and employed staff in supporting parishes and Area Teams.

Diocesan Synod has delegated the following functions to the LDBF:

- Management of the funds and property of the Diocese;
- Preparation of annual estimates of expenditure;
- Advising on action needed to raise the income necessary to finance expenditure;
- Oversight of expenditure by bodies in receipt of Diocesan Synod's funds against estimates of expenditure approved by Diocesan Synod; and
- Advising Diocesan Synod of the financial aspects of its policy and on any other matters referred to it.

Committee structure

Leeds Diocesan Board of Finance

The Leeds Diocesan Board is the formal Bishop's Council, Diocesan Board of Finance, the Diocesan Mission and Pastoral Committee and Parsonage Board; its membership is set out on page 19.

Trustees are provided with induction guidance when first appointed and receive ongoing training, as appropriate. Some senior staff have job titles incorporating the title 'Director' but they are not Trustees of the company for the purposes of company law.

Diocesan Board of Education ("DBE")

The DBE consists of the diocesan bishop, four members appointed by the diocesan bishop (to include: an area bishop, an archdeacon, two members of the Leeds DBF), two members elected by the Diocesan Synod, at least four but no more than six members co-opted by the DBE and up to two members co-opted by the DBE to fill any casual vacancies in those elected by the Diocesan Synod. The DBE oversees the setting of education strategy and reviews progress on an ongoing basis against this. The DBE has sub-committees with particular responsibility for Finance and Education Buildings.

Diocesan Advisory Committee ("DAC")

The DAC advises on matters affecting churches and places of worship such as the granting of faculties, architecture, archaeology, art and the history of places of worship, the use and care of places of worship and their contents and the care of churchyards.

Audit Committee

The Audit Committee consists of five members, one of whom must be a member of both the Finance Assets and Investments Committee and the Leeds Board. The Chairperson is appointed by the Board and must not be the Chair of the Board or a member of FAIC. The Audit Committee responsibilities include considering the appointment of the external auditor, the review and agreeing of the annual report and accounts before submission to the Board and the review of the effectiveness of internal control systems.

Diocesan Mission & Pastoral Committee ("DMPC")

The membership of the Diocesan Mission and Pastoral Committee is the Leeds Board members with the exception of the five Area Bishops. The four Archdeacons who are non-Leeds Board members are ex officio members of the DMPC. The DMPC is a statutory body as set out in the Mission and Pastoral Measure 2011. The DMPC has delegated its functions, with the exception of those which may not be delegated under the Mission and Pastoral Measure, to five Episcopal Area Mission and Pastoral Committees.

Diocesan Safeguarding Advisory Panel ("DSAP")

The Panel includes an independent chairperson, the Diocesan Bishop, a Cathedral Dean, the Lead Officer responsible for safeguarding, the Diocesan Secretary, the Registrar and individuals representing external agencies involved in safeguarding.

The Panel is responsible for the oversight of policy, procedures, training and guidance to the directors, diocesan officers and parishes on safeguarding matters and is accountable for safeguarding work throughout the Diocese.

Finance, Assets and Investments Committee ("FAIC")

The Committee's composition is at least three members of the Leeds Board, plus up to seven members nominated by the Leeds Board. The Chairperson must be a member of the Leeds Board. The FAIC monitors the monthly management accounts, the preparation of the budget and sustainability plan, the progress of major property sales, the performance of investment assets and development of strategic projects.

Property Committee

The Committee consists of a Chairperson appointed by the Diocesan Bishop, the five Archdeacons, one clergy person elected by the House of Clergy of the Diocesan Synod, one clergy person (with relevant skills) appointed by the Leeds Board, two lay people elected by the House of Laity of the Diocesan Synod, four lay people (with relevant skills) appointed by the Leeds Board, one lay person appointed by the Leeds Board, one clergy person (or lay person if the Chair is clergy) co-opted by the Committee and one lay person (or clergy if the Chair is lay) co-opted by the Committee.

The Property Committee is responsible for carrying out the delegated functions of the Parsonages Board under the Repairs of Benefice Buildings Measure 1972 and under the terms of its constitution and subject to any directions given by the LDBF Board, oversees the management, maintenance and upkeep of all property assets of the LDBF. The Committee is also responsible for ensuring the obligations of the LDBF as custodian trustee are met in respect of properties held by PCCs. In practical terms this includes overseeing the development of policies and strategies, monitoring their implementation and reporting on this to the LDBF Board, and reviewing and approving property transactions.

Barnabas Portfolio Board

The Barnabas Portfolio Board is responsible for oversight of the delivery of strategic programmes in the Diocese. This includes monitoring performance against outcomes for the Barnabas Programme as well as oversight of the existing strategic development fund programmes which are well established. This Board reports to the Leeds Board and contains four Leeds Board members as well as nominated individuals by the Board who have relevant expertise and perspective on resource church, urban, rural and children and youth ministry.

Delegation of day to day delivery

The Trustees and the committees and advisory and scrutiny groups which assist them in the fulfilment of their responsibilities, rely upon the Diocesan Secretary and his colleagues for the delivery of the day to day activities of the company. The Diocesan Secretary is given specific and general delegated authority to manage the business of the LDBF in accordance with the policies framed by the Trustees.

Funds held as Custodian Trustee

The LDBF is the custodian trustee of assets held on permanent trust by virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and churchwardens (Trusts) Measure 1964 where the managing Trustees are parochial church councils and others. These assets are not aggregated in the financial statements as the LDBF does not control them, and they are segregated from the LDBF's own assets by means of a separate bank account and accounting system. Further details of financial trust

assets, whose market value amounted to £15,943,000 at 31 December 2024 (2023: £15,931,000), are available from the LDBF on request, and are summarised in Note 30. Where properties are held as custodian trustee, the deeds are identified as such and held in safe custody.

Related Parties

The Board enters into transactions, on a regular basis, with other autonomous organisations within the Church of England:-

- The Archbishops' Council to which the LDBF pays a donation based on an apportionment system for funding national training of ordinands and the activities of the various national boards and councils.
- The Church Commissioners from which the LDBF receives grants and which acts on behalf of clergy with HM Revenue and Customs. The LDBF pays for clergy stipends through the Church Commissioners.
- The Church of England Pensions Board, to which the LDBF pays retirement benefit contributions for stipendiary clergy and employees. It also offers schemes to provide housing for clergy in retirement.
- Parochial Church Councils are all independent charities and the company has no control over them. The accounts of PCCs and deaneries do not form part of these financial statements. PCCs are able to influence the decision-making within LDBF and at Diocesan Synod level, through input of their Deanery Synods.

From time to time Directors and key managers of the Board may serve on committees of other bodies, or the General Synod. It is not considered appropriate to report the detail of such transactions since no person or group of people so serving have any significant influences over any material transactions.

Transactions with the main categories of related parties are identified in appropriate places throughout the financial statements. Where materiality of the transactions merits more detailed disclosure this is given in note 29 to the financial statements.

Connected charities

The Trustees consider the following to be connected charities:

The cathedrals are the mother churches of the Diocese and legally constituted as separate charities. Trustees' report and financial statements may be obtained from the:

- Wakefield Cathedral Office, Wakefield Cathedral, Northgate, Wakefield, WF1 1HG.
- Ripon Cathedral Office, Liberty Court House, Minster Road, Ripon, North Yorkshire HG4 1QS.
- Bradford Cathedral Office, 1 Stott Hill, Bradford, West Yorkshire, BD1 4EH.

The Leeds Board is sole trustee to the charities and trusts given below. The Leeds Diocesan Board of Finance does not benefit from these charities and they are not included in the annual accounts:

- Armley Deanery Schools Charity – support of schools in the Armley Deanery
- Brewin's Charity – support of clergy pensions
- Forcett Churchyard Trust – upkeep of Forcett churchyard
- Harrogate St Mary Cockroft Fund – upkeep of vault at All Saints Cemetery, Harrogate
- North Ripton School House Fund – provision of special benefits and education in the school
- Stewart's Charity – support to specified schools in Leeds
- Romalldkirk & Cotherstone Fund – upkeep of churches in Romalldkirk and Cotherstone
- Wray Bequest – ecclesiastical purposes the parish of St Anne's Catterick
- Rachel Dixon Charity – support of widows or unmarried daughters of the clergy

Other connected charities with which the Board co-operates in pursuit of its charitable objectives are:

- Bishop's Development Fund, Thornes Park Campus, Thornes Park, Wakefield, West Yorkshire, WF2 8QZ (Charity number 700588)
- Bradford Diocesan Council for Social Aid, 17-19 York Place, Leeds, West Yorkshire, LS1 2EX (Charity number 226436)
- Near Neighbours, Church House, 27 Great Smith Street, London, SW1P 3AZ (Charity number 1142426, Company number 07603317)
- Wellsprings Together, Church House, 17-19 York Place, Leeds, West Yorkshire, LS1 2EX (Charity Number 1179481, Company Number 11423641)

The assets of the above charities and trusts are held separately by themselves and are segregated from the assets of the LDBF.

TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Leeds Diocesan Board of Finance for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

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 reparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ADMINISTRATIVE DETAILS

Trustees

No Trustee had any beneficial interest in the company during 2024. The following Trustees were in post either during the year and/or at the date of this report:

Chairman:

The Right Revd Nicholas Baines – Bishop of Leeds

Ex-officio:

The Right Revd Anthony Robinson – Area Bishop of Wakefield (to 31 August 2024)

The Right Revd Anna Eltringham – Area Bishop of Ripon

The Right Revd Arun Arora – Bishop of Kirkstall

The Right Revd Toby Howarth – Area Bishop of Bradford

The Right Revd Smitha Prasad – Area Bishop of Huddersfield

The Revd Canon Rachel Firth – Chair of the House of Clergy of the Diocesan Synod

Canon Mr Matthew Ambler – Chair of the House of Laity of the Diocesan Synod

Elected by the Deans:

The Very Revd John Dobson – Dean of Ripon Cathedral

Elected by the Archdeacons:

The Ven Paul Ayers – Archdeacon of Leeds

Elected by:

Synod House of Clergy:

The Revd Ian Bullock (from 07 April 2025)

The Revd Eve Ridgeway (to 31 October 2024)

The Revd Gary Waddington

Synod House of Laity:

Mr Andrew Maude

Mr Christopher Thompson (to 06 January 2025)

Mr Richard Pattinson

Mr Roger Lazenby (to 31 October 2024 and from 30 April 2025)

Mr James Meredith (from 01 November 2024)

Nominated by the Board:

The Revd Eve Ridgeway (from 1 November 2024)

Canon Mr Irving Warnett

Mrs Marilyn Banister

Canon Mrs Jane Evans (to 16 October 2024)

Mrs Jan Ali

Senior staff and advisers

Diocesan Secretary

Chief Finance Officer

Director of Ministry & Mission

Director of Education

Director of Business Planning & Head of Property

Director of People and Engagement

Director of Church Revitalisation

Director of Communications

Head of Safeguarding

Head of Safeguarding

Jonathan Wood

Geoff Park

The Revd Canon Andrew Norman

Simone Bennett

John Knox

Anna Earnshaw

The Revd Jude Smith

Chris Tate

Sofia McGreavy (until 21.07.2024)

Juliette McLellan (from 22.07.2024)

LEEDS DIOCESAN BOARD OF FINANCE

Registered Office: Church House, 17-19 York Place, Leeds, LS1 2EX

Principal Bankers Santander, 44 Merrion Street, Leeds, LS2 8JQ
Virgin Money plc, 94 Briggate, Leeds LS1 6NP
NatWest Bank plc, Leeds City Office, 8 Park Row, Leeds, LS1 1QS
Barclays Bank plc, PO Box245, 10 Market Street, Bradford, BD1 1XW

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

Diocesan Registrar David Whitaker, Lupton Fawcett LLP
2 The Embankment, Sovereign St, Leeds, LS1 4BA

Investment advisers CCLA Investment Management Ltd
Senator House, 85 Queen Victoria Street, London, EC4V 4ET

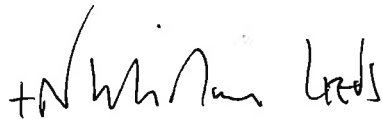
Glebe Agents Cartar Jonas, 9 Bond Street, Leeds LS1 2JZ

Insurance Brokers PIB Insurance Brokers, Poppleton Grange, York, YO26 6GZ

Principal Insurers EIG, Beaufort House, Brunswick Road, Gloucester, GL1 1JZ

In approving this Trustees' Report, the Trustees are also approving the Strategic Report included on pages 3 – 12 within their capacity as company directors.

ON BEHALF OF THE TRUSTEES



The Right Revd Nicholas Baines
Chairman
12 May 2025



Jonathan Wood
Secretary
12 May 2025

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF LEEDS DIOCESAN BOARD OF FINANCE

Opinion

We have audited the financial statements of Leeds Diocesan Board of Finance For the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet and the cash flow statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 December 2024 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 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

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

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

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

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF LEEDS DIOCESAN BOARD OF FINANCE

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the Trustees' Annual Report and Strategic Report.

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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 18, the trustees (who are also 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 to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended.

We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF LEEDS DIOCESAN BOARD OF FINANCE

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales and the Church of England Measures.

Audit response to risks identified:

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

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

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

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

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.



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Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery LLP
10 Wellington Place, Leeds, LS1 4AP
Chartered Accountants
Statutory Auditors
Date: 28 May 2025

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

STATEMENT OF THE FINANCIAL ACTIVITIES

For the year ended 31 December 2024

		Unrestricted funds		Restricted	Endowment	Total funds	Total funds
	Note	General	Designated	Funds	Funds	2024	2023
		£'000	£'000	£'000	£'000	£'000	£'000
Income and endowments from:							
Donations	2						
Parish contributions		12,146	-	-	-	12,146	12,070
Archbishop's Council		2,483	-	2,599	-	5,082	4,376
Other donations		302	-	271	310	883	557
Charitable activities	3	1,704	-	-	-	1,704	1,725
Other activities	4	1,442	-	34	-	1,476	1,206
Investments	5	392	1	503	581	1,477	1,435
Other	6	652	-	5	33	690	2,702
Total		19,121	1	3,412	924	23,458	24,071
Expenditure on:							
Raising funds	7	-	-	-	197	197	161
Charitable activities	8	21,367	13	2,955	89	24,424	23,634
Pension surplus recognition	28	(1,339)	-	-	-	(1,339)	-
Other	9	-	-	4	121	125	521
Total		20,028	13	2,959	407	23,407	24,316
Net (expenditure)/income before investment gains		(907)	(12)	453	517	51	(245)
Net gain on investments		61	-	263	283	607	1,838
Net (expenditure)/income		(846)	(12)	716	800	658	1,593
Transfers between funds	14	2,451	-	295	(2,746)	-	-
(Losses)/gains on revaluation of fixed assets		-	-	(95)	-	(95)	21,417
Net movement in funds		1,605	(12)	916	(1,946)	563	23,010
Total funds brought forward	22	55,808	794	17,764	146,909	221,275	198,265
Total funds carried forward	23	57,413	782	18,680	144,963	221,838	221,275

All activities derive from continuing activities. The notes on pages 28 to 57 form part of the financial statements.

INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2024

	Total 2024 £'000	Total 2023 £'000
Total Income	22,534	23,292
Expenditure	(23,000)	(23,584)
Operating surplus/(deficit) for the year	<u>(466)</u>	<u>(292)</u>
Net gains on investments	324	1,074
Net income for the year	<u>(142)</u>	<u>782</u>
Other comprehensive income:		
Net assets transferred from/(to) endowments	2,745	670
(Loss)/gain on revaluation of fixed assets	(95)	5,320
Total comprehensive income	<u><u>2,508</u></u>	<u><u>6,772</u></u>


The income and expenditure account is derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with company law. All income and expenditure is derived from continuing activities.

BALANCE SHEET

At 31 December 2024

Company Number – 8823593		2024		2023	
	Note	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	16		172,748		173,567
Investments	17		41,533		41,549
			<u>214,281</u>		<u>215,116</u>
CURRENT ASSETS					
Debtors	19	1,917		958	
Cash on deposit		6,728		7,119	
Cash at bank and in hand		1,823		1,667	
Agency cash		2,977		3,170	
		<u>13,445</u>		<u>12,914</u>	
CREDITORS: amounts falling due within one year	20	(4,426)		(4,582)	
NET CURRENT ASSETS			<u>9,019</u>		<u>8,332</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>223,300</u>		<u>223,448</u>
CREDITORS: amounts falling due after more than one year					
Other creditors	21		(1,462)		(2,173)
NET ASSETS			<u>221,838</u>		<u>221,275</u>
FUNDS					
Endowment funds			144,963		146,909
Restricted income funds			18,680		17,764
Unrestricted income funds:			57,413		55,808
Designated funds			782		794
TOTAL FUNDS	22		<u>221,838</u>		<u>221,275</u>

The Notes (pages 28 to 57) form part of these financial statements. The financial statements were approved by the Board of Trustees and authorised for issue on 12 May 2025 and signed on behalf of the Board by:



THE RIGHT REV'D NICHOLAS BAINES

CASH FLOW STATEMENT

For the year ended 31 December 2024

	2024	2023
	£'000	£'000
	£'000	£'000
Net cash outflow from operating activities	(3,055)	(3,428)
Cash flows from investing activities		
Dividends, interest and rent from investments	1,476	1,435
Interest paid	(75)	(79)
Proceeds from the sale of:-		
Tangible fixed assets	2,749	4,740
Fixed asset investments	7,769	554
Purchase of:-		
Tangible fixed assets for the use of the LDBF	(1,839)	(1,646)
Fixed asset investments	(7,156)	(220)
Net cash provided by investing activities	2,924	4,784
Cash flows from financing activities		
Loans repaid to / (issued by) the LDBF	93	(132)
VLLs repaid due to property disposal	(290)	(324)
Permanent loans repaid	(100)	(100)
Net cash used in financing activities	(297)	(556)
Change in cash and cash equivalents in the reporting period	(428)	800
Cash and cash equivalents at 1 January	11,956	11,156
Cash and cash equivalents at 31 December	11,528	11,956
Reconciliation of net income before investment gains / losses		
Net movement before investment gains at 31 December	51	(245)
Adjustments for:		
Depreciation charges	58	32
Dividends, interest and rent from investments	(1,476)	(1,435)
Interest paid	75	79
Loss on sale of fixed assets	125	521
Profit on sale of fixed assets	(361)	(1,839)
Pension surplus recognition	(1,339)	-
Decrease in debtors	288	202
Decrease in creditors	(476)	(465)
Value-Linked Loans revaluation	-	(278)
Net cash used in operating activities	(3,055)	(3,428)
Analysis of cash and cash equivalents		
Cash in hand	4,800	4,837
Notice deposits (less than 3 months)	6,728	7,119
	11,528	11,956

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. ACCOUNTING POLICIES

The LDBF is a private company limited by guarantee and registered Charity (No. 8823593) and incorporated in England and Wales. Its registered address is Church House, 17-19 York Place, Leeds, LS1 2EX. It is a Public Benefit Entity as defined by FRS102.

The financial statements have been prepared under the historical cost convention, with the exception of freehold properties, which are included at their fair value as determined under the applicable valuation method as detailed in e), and fixed asset investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019), the Companies Act 2006 and applicable accounting standards (FRS102).

The financial statements have been prepared on a going concern basis. The Trustees have taken note of the guidance issued by the Financial Reporting Council on Going Concern Assessments in determining that this is the appropriate basis of preparation of the financial statements and have considered a number of factors. As noted above, operating deficits are expected to continue for some time but the Trustees are confident that the Balance Sheet remains strong and is sufficient to absorb deficits that may arise over the near term. This will be done by carefully managing expenditure; the appropriate utilisation of both unrestricted and restricted reserves (e.g. Pastoral Fund and Stipends Fund); and the time-limited sale of surplus property. As a consequence, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The principal accounting policies and estimation techniques are as follows.

a) Income

All incoming resources, including gifts, donations and legacies are shown in the Statement of Financial Activities ("SOFA") when the LDBF is legally entitled to them as income or capital respectively, ultimate receipt is reasonably certain and the amount to be recognised can be quantified with reasonable accuracy.

- i) **Parish Share income.** Credit is only taken for Parish Share income which was received within the time scales laid down by the Leeds Board.
- ii) **Grants from the Church Commissioners** towards stipends, housing and other items have been included in the income for the year and the appropriate expenditure is shown gross. Grants received which are subject to pre-conditions for entitlement or use specified by the donor which have not been met at the period end are included in creditors to be carried forward to the following year.
- iii) **Stipends fund income.** The Stipends Fund Capital account is governed by the Diocesan Stipends' Fund Measure 1953, as amended, and the use of the income is restricted for clergy stipends. However, the income is fully expended within the year of receipt and the legal restrictions, therefore, are satisfied. It is on this basis that the income and the (normally much larger) related expenditure are both included in the unrestricted column of the Statement of Financial Activities for the sake of greater clarity and simplicity in financial reporting.

b) Expenditure

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the SOFA category.

- i) **Costs of raising funds** are constrained to costs relating to the temporary renting out of parsonages and investment management costs of glebe and any other investment properties.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

1. ACCOUNTING POLICIES (continued)

- ii) **Charitable expenditure** is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry in the parishes of the Diocese, expenditure relating to the running of the diocesan retreat centre, and expenditure on education and Church of England schools in the Diocese.
- iii) **Grants payable** are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the LDBF, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.
- iv) **Support costs** consist of central management, administration and governance costs. The amount spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff time basis.
- v) **Pension contributions.** The LDBF's staff are members of the Church Workers Pension Fund ('CWPF') or TPT's Flexible Retirement Plan and Clergy are members of the Church of England Funded Pensions Scheme (see note 28). The pension costs charged as resources expended represent the LDBF's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding for the pension schemes to which LDBF participates is accrued at present value in creditors distinguished between contributions falling due within one year and after more than one year. However, the CWPF scheme is in surplus so no contributions were made in the year. Rather, this scheme's usable surplus has been recognised in the year at net present value and will be released in future years to offset employer contributions for current participating employees.

c) Tangible fixed assets and depreciation

Capitalisation of property expenditure

Property expenditure is only capitalised on the purchase of a property, or if the expenditure is for the structural or other enhancement of a property. Repairs expenditure is generally not capitalised.

Freehold properties

Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case, and because their expected residual value is not materially less than their carrying value. The LDBF has a policy of regular structural inspection, repair and maintenance, which in the case of residential properties is in accordance with the Repair of Benefices Buildings Measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties occur well before the end of their economic lives and disposal proceeds are usually not less than their carrying value. The Trustees perform annual impairment reviews in accordance with the requirements of FRS102 to ensure that the carrying value is not more than the recoverable amount. Freehold properties are revalued on a five-year cycle.

Properties subject to value linked loans

Properties which have been bought with the assistance of value-linked loans from the Church Commissioners are revalued on a five-year cycle, with the corresponding liabilities being adjusted accordingly.

Investment properties

Glebe properties which are held for investment purposes and rented out have been included at their fair value.

Parsonage houses

The LDBF has followed the requirements of FRS102, in its accounting treatment for benefice houses (parsonages). FRS102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The LDBF is formally responsible for the maintenance and repair of such

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2024

1. ACCOUNTING POLICIES (continued)

properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent.

The Trustees therefore consider the most suitable accounting policy is to capitalise such properties as expendable endowment assets and to carry them at their estimated current market value. Parsonage houses are revalued on a five-year cycle.

Schools

The school property is shown at cost. Depreciation is provided on the building over a 50-year period (£6,000 pa) the expected useful economic life of the asset.

d) Other tangible fixed assets

Other capital expenditure over £25,000 is capitalised and depreciated as follows. Depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives at the following initial rates:

Office fixtures & fittings	10% straight line
Office equipment	33% straight line
Computer equipment	33% straight line

Other tangible fixed assets additions less than £25,000 are depreciated in full during the year of purchase.

e) Key judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

- Land & Buildings are deemed to have unlimited useful lives. All other tangible fixed assets are considered to have three-year useful economic lives.
- Land and Buildings are not depreciated because of the high residual value based on current prices and any depreciation charge and the accumulated depreciation are regarded as not material. These assets are considered to have a long unexpired life due to a policy and practice of regular structural maintenance and a policy and practice of disposing of similar properties well before the end of their useful life.
- The assumptions underlying the valuation of the pension scheme assets / liabilities are set out in note 28.

f) Other accounting policies

- Fixed asset investments** are included in the Balance Sheet at market value and the gain or loss taken to the SOFA.
- Leases.** The LDBF has entered only into operating lease arrangements for the use of certain assets, the rental for which is charged in full as expenditure in the year to which it relates. Where rent free periods are given as part of an operating lease, the impact of this rent free period is amortised over the whole period of the lease.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

1. ACCOUNTING POLICIES (continued)

g) Fund balances

Fund Balances are split between unrestricted (general and designated), restricted and endowment funds.

- i) Unrestricted funds are the LDBF's corporate funds and are freely available for any purpose within the charitable company's objects, at the discretion of the LDBF. There are two types of unrestricted funds:
 - General funds which the LDBF intends to use for the general purposes of the LDBF; and
 - Designated funds set aside out of unrestricted funds by the LDBF for a purpose specified by the Trustees
- ii) Restricted funds are income funds subject to conditions imposed by the donor as specific terms of trust, or else by legal measure.
- iii) Endowment funds are those held on trust to be retained for the benefit of the charitable company as a capital fund. In the case of the endowment funds administered by the LDBF (Parsonage Houses and Schools), there are discretionary powers to convert capital into income and, as a result, these funds are classified as expendable endowment. Endowment funds where there is no provision for expenditure of capital are classified as permanent endowment.
- iv) In November 2023 the LDBF passed a resolution, under section 104A of the Charities Act 2011 as amended by the Trust (Capital and Income) Act 2013, to adopt Total Return Accounting and apply this to the Stipend Capital Fund within the endowment funds from 1 January 2024. See Note 18 for further details.
- v) "Special trusts" (as defined by the Charities Act 2011) and any other trusts where the company acts as trustee and controls the management and use of the funds, are included in the company's own financial statements as charity branches. Trusts where the LDBF acts merely as custodian trustee with no control over the management of the funds are not included in the financial statements but are summarised in the notes to the financial statements.

2. DONATIONS

The majority of donations are collected from parishes of the Diocese through the Parish Share system.

Parish contributions

	Unrestricted funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Apportionment	15,259	-	-	-	15,259	15,749
Shortfall in receipts	(3,499)	-	-	-	(3,499)	(3,957)
	11,760	-	-	-	11,760	11,792
Previous years share	211	-	-	-	211	181
Voluntary share	175	-	-	-	175	97
Total Income	12,146	-	-	-	12,146	12,070

Current year Parish Share receipts represent 77.1% of the total apportioned (2023 – 74.9%), or, when other voluntary contributions and receipts for previous years are included, 79.6% of the total apportioned (2023 – 76.6%). 2023 comparatives are for the general fund only.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2024

2. DONATIONS (continued)

Archbishops' Council

	Unrestricted funds		Restricted	Endowment	Total funds
	General	Designated	Funds	Funds	2024
2024	£'000	£'000	£'000	£'000	£'000
Transition Funding and Lowest Income	2,483	-	-	-	2,483
Capacity Funding	-	-	178	-	178
MES Grant	-	-	5	-	5
RME Grant	-	-	(79)	-	(79)
DIP Grants	-	-	2,116	-	2,116
Other National Church Grants	-	-	379	-	379
Total Income	2,483	-	2,599	-	5,082
	Unrestricted funds		Restricted	Endowment	Total funds
	General	Designated	Funds	Funds	2023
2023	£'000	£'000	£'000	£'000	£'000
Transition Funding and Lowest Income	2,667	-	-	-	2,667
Capacity Funding	-	-	141	-	141
MES Grant	-	-	9	-	9
RME Grant	-	-	319	-	319
DIP Grants	-	-	1,240	-	1,240
Total Income	2,667	-	1,709	-	4,376

The Lowest Income Communities Grant and Transition Funding are annual grants, which may be used either for specific parish mission and development projects or for clergy stipends. The RME ('Resourcing Ministerial Education') Grant is the funds provided by the Archbishops' Council for the training of ordinands. In 2023 the Diocesan Investment Programme ('DIP') was created, which brought together previous funding streams including SDF ('Strategic Development Funding') and SMF ('Strategic Ministry Funding') grants, which were for specific strategic projects and growth in the number of clergy by funding curates respectively. In 2024 DIP grants were received principally in relation to developing Resourcing Churches in Leeds and Bradford, the Diocesan Intern Scheme, funding curates and the Barnabas programme. The MES grant ('Ministry Experience Scheme') is provided by the Archbishops' Council to help fund a scheme for those exploring ordination. In 2024 Other National Church Grants were received towards Net Zero Carbon work, a Church Buildings Support Officer, Buildings for Mission grants and Racial Justice initiatives.

Other donations

	Unrestricted funds		Restricted	Endowment	Total
	General	Designated	Funds	Funds	Funds
2024	£'000	£'000	£'000	£'000	£'000
Benefact Trust Grant	202	-	-	-	202
Property Grants	46	-	-	-	46
Other Grants	-	-	40	-	40
Recognition of Trust Funds	-	-	178	310	488
Legacies	50	-	50	-	100
Other Donations	4	-	3	-	7
	302	-	271	310	883

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

2. DONATIONS (continued)

	Unrestricted funds		Restricted	Endowment	Total
	General	Designated	Funds	Funds	Funds
	£'000	£'000	£'000	£'000	£'000
2023					
Benefact Trust Grant	245	-	-	-	245
Property Grants	14	-	-	-	14
Other Grants	-	-	42	-	42
Recognition of Trust Funds	-	-	50	170	220
Legacies	32	-	-	-	32
Other Donations	4	-	-	-	4
	<u>295</u>	<u>-</u>	<u>92</u>	<u>170</u>	<u>557</u>

3. CHARITABLE ACTIVITIES

	Unrestricted funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Statutory fees	889	-	-	-	889	922
Legal & Professional	89	-	-	-	89	103
School Services	419	-	-	-	419	439
Retreat Centre	307	-	-	-	307	261
	<u>1,704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,704</u>	<u>1,725</u>

2023 comparatives are for the general fund only.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds		Restricted	Endowment	Total funds
	General	Designated	Funds	Funds	2024
	£'000	£'000	£'000	£'000	£'000
2024					
Housing income	1,288	-	7	-	1,295
Outside funding	31	-	-	-	31
Training income	33	-	-	-	33
Miscellaneous	90	-	27	-	117
	<u>1,442</u>	<u>-</u>	<u>34</u>	<u>-</u>	<u>1,476</u>

	Unrestricted funds		Restricted	Endowment	Total funds
	General	Designated	Funds	Funds	2023
	£'000	£'000	£'000	£'000	£'000
2023					
Housing income	1,055	-	6	-	1,061
Outside Funding	10	-	-	-	10
Training income	38	-	-	-	38
Miscellaneous	97	-	-	-	97
	<u>1,200</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>1,206</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2024

5. INVESTMENT INCOME

	Unrestricted funds		Restricted	Endowment	Total
	General	Designated	Funds	Funds	Funds
	£'000	£'000	£'000	£'000	£'000
2024					
Dividends receivable	100	-	462	546	1,108
Interest receivable	292	1	41	35	369
	<u>392</u>	<u>1</u>	<u>503</u>	<u>581</u>	<u>1,477</u>
2023	£'000	£'000	£'000	£'000	£'000
Dividends receivable	635	-	424	138	1,197
Interest receivable	188	-	22	28	238
	<u>823</u>	<u>-</u>	<u>446</u>	<u>166</u>	<u>1,435</u>

6. OTHER INCOMING RESOURCES

	Unrestricted funds		Restricted	Endowment	Total funds
	General	Designated	Funds	Funds	2024
	£'000	£'000	£'000	£'000	£'000
2024					
Gain on sale of investments	10	-	5	8	23
Gain on sale of properties	312	-	-	25	337
Insurance and compensation claims	330	-	-	-	330
	<u>652</u>	<u>-</u>	<u>5</u>	<u>33</u>	<u>690</u>
2023	£'000	£'000	£'000	£'000	£'000
Gain on sale of investments	-	-	-	218	218
Gain on sale of properties	571	-	825	225	1,621
Insurance and compensation claims	863	-	-	-	863
	<u>1,434</u>	<u>-</u>	<u>825</u>	<u>443</u>	<u>2,702</u>

7. FUND RAISING COSTS

	Unrestricted funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Maintenance of Glebe	-	-	-	197	197	161
	<u>-</u>	<u>-</u>	<u>-</u>	<u>197</u>	<u>197</u>	<u>161</u>

2023 comparatives are for the endowed fund only.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

8. CHARITABLE ACTIVITIES

2024	Unrestricted funds		Restricted Funds	Endowment Funds	Total funds 2024
	General £'000	Designated £'000	£'000	£'000	£'000
Contributions to Archbishops' Council					
Training for Ministry	496	-	-	-	496
National Church Responsibilities	347	-	-	-	347
Mission agency pension costs	-	-	-	-	-
Retired clergy housing costs	207	-	-	-	207
Pooling of ordinands' maintenance grants	94	-	-	-	94
	<u>1,144</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,144</u>
Resourcing Ministry and Mission					
Stipends and national insurance	9,194	-	437	-	9,631
Pension contributions	1,836	-	121	-	1,957
Housing costs	4,063	13	160	-	4,236
Removal, resettlement and grants	295	-	-	-	295
Other expenses	248	-	-	-	248
	<u>15,636</u>	<u>13</u>	<u>718</u>	<u>-</u>	<u>16,367</u>
Support for parish ministry	3,442	-	2,014	89	5,545
Retreat Centre	367	-	-	-	367
	<u>19,445</u>	<u>13</u>	<u>2,732</u>	<u>89</u>	<u>22,279</u>
Expenditure on Education					
Church Schools	778	-	223	-	1,001
	<u>21,367</u>	<u>13</u>	<u>2,955</u>	<u>89</u>	<u>24,424</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2024

8. CHARITABLE ACTIVITIES (continued)

2023	Unrestricted funds		Restricted Funds	Endowment Funds	Total funds
	General £'000	Designated £'000	£'000	£'000	2023 £'000
Contributions to					
Archbishops' Council					
Training for Ministry	500	-	-	-	500
National Church Responsibilities	344	-	-	-	344
Mission agency pension costs	16	-	-	-	16
Retired clergy housing costs	198	-	-	-	198
Pooling of ordinands maintenance grants	81	-	-	-	81
	<u>1,139</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,139</u>
Resourcing Ministry and					
Mission					
Stipends and national insurance	8,900	-	456	-	9,356
Pension contributions	1,995	-	115	-	2,110
Housing costs	4,108	1	128	-	4,237
Removal, resettlement and grants	289	-	-	-	289
Other expenses	242	-	-	-	242
	<u>15,534</u>	<u>1</u>	<u>699</u>	<u>-</u>	<u>16,234</u>
Support for parish ministry	3,929	-	962	76	4,967
Retreat Centre	301	-	-	-	301
	<u>19,764</u>	<u>1</u>	<u>1,661</u>	<u>76</u>	<u>21,502</u>
Expenditure on Education					
Church Schools	829	-	164	-	993
	<u>21,732</u>	<u>1</u>	<u>1,825</u>	<u>76</u>	<u>23,634</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

9. OTHER RESOURCES EXPENDED

2024	Unrestricted funds		Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
	General £'000	Designated £'000			
Loss on sale of investment	-	-	4	27	31
Loss on sale of properties	-	-	-	94	94
	<u>-</u>	<u>-</u>	<u>4</u>	<u>121</u>	<u>125</u>
	<u>-</u>	<u>-</u>	<u>4</u>	<u>121</u>	<u>125</u>

2023	Unrestricted funds		Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
	General £'000	Designated £'000			
Loss on sale of properties	-	-	26	-	26
Loss on transfer of properties	-	-	-	495	495
	<u>-</u>	<u>-</u>	<u>26</u>	<u>495</u>	<u>521</u>
	<u>-</u>	<u>-</u>	<u>26</u>	<u>495</u>	<u>521</u>

10. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS

2024	Activities Undertaken Directly £'000	Grant Funding of Activities £'000	Support Costs £'000	Total Costs £'000
Raising funds	197	-	-	197
Charitable activities:				
Contributions to Archbishops' Council	-	1,144	-	1,144
Resourcing parish ministry	20,106	861	945	21,912
Education	741	-	260	1,001
Retreat Centre	367	-	-	367
Other	125	-	-	125
	<u>21,536</u>	<u>2,005</u>	<u>1,205</u>	<u>24,746</u>
	<u>21,536</u>	<u>2,005</u>	<u>1,205</u>	<u>24,746</u>

2023	£'000	£'000	£'000	£'000
Raising funds	161	-	-	161
Charitable activities:				
Contributions to Archbishops' Council	-	1,139	-	1,139
Resourcing parish ministry	19,343	793	1,065	21,201
Education	681	-	312	993
Retreat Centre	301	-	-	301
Other	521	-	-	521
	<u>21,007</u>	<u>1,932</u>	<u>1,377</u>	<u>24,316</u>
	<u>21,007</u>	<u>1,932</u>	<u>1,377</u>	<u>24,316</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2024

11. ANALYSIS OF SUPPORT COSTS

	Unrestricted funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£000
Central administration	607	-	-	-	607	729
Support for Schools	260	-	-	-	260	312
Governance:						
External audit	34	-	-	-	34	32
Registrar and Chancellor	261	-	-	-	261	261
Synodical costs	43	-	-	-	43	43
	<u>1,205</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,205</u>	<u>1,377</u>

2023 comparatives are for the general fund only.

12. ANALYSIS OF GRANTS MADE

2024	No.	Individuals	Institutions	Total
		£'000	£'000	£000
From unrestricted funds for national Church responsibilities				
Contributions to Archbishops' Council	12	-	1,144	1,144
From unrestricted funds:				
Clergy Training	690	80	-	80
Clergy Grants (Removal, First appointment, resettlement)	182	293	-	293
Ordination	43	30	-	30
Vocation grants	278	141	-	141
Mission Grants	41	-	58	58
	<u>1,234</u>	<u>544</u>	<u>58</u>	<u>602</u>
From restricted funds for various purposes within resourcing parish ministry:				
PCC Building Grants	54	-	112	112
PCC Energy Grants	1	-	1	1
PCC Other Grants	2	-	7	7
Education	2	-	79	79
Youth	21	-	2	2
Clergy and employed lay	35	44	-	44
	<u>115</u>	<u>44</u>	<u>201</u>	<u>245</u>
From endowment funds for various purposes within resourcing parish ministry:				
PCC Building Grants	6	-	14	14
Rural churches	1	-	1	1
	<u>7</u>	<u>-</u>	<u>15</u>	<u>15</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

12. ANALYSIS OF GRANTS MADE (continued)

2023	No.	Individuals £'000	Institutions £'000	Total £000
From unrestricted funds for national Church responsibilities				
Contributions to Archbishops' Council	12	-	1,139	1,139
From unrestricted funds:				
Clergy Training	778	78	-	78
Clergy Grants (Removal, First appointment, resettlement)	189	292	-	292
Ordination	30	33	-	33
Vocation grants	272	133	-	133
Mission Grants	35	-	47	47
	<u>1,304</u>	<u>536</u>	<u>47</u>	<u>583</u>
From restricted funds for various purposes within resourcing parish ministry:				
PCC Building Grants	28	-	51	51
Education	1	-	90	90
Clergy properties	1	-	14	14
Youth	16	-	2	2
Clergy and employed lay	63	44	-	44
	<u>109</u>	<u>44</u>	<u>157</u>	<u>201</u>
From endowment funds for various purposes within resourcing parish ministry:				
PCC Building Grants	9	-	9	9
	<u>1,434</u>	<u>580</u>	<u>1,352</u>	<u>1,932</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

13. STAFF COSTS

	2024	2023
	£'000	£'000
Employee costs during the year were as follows:		
Wages and salaries	3,401	3,162
Apprenticeship levy	2	1
National insurance contributions	346	310
Pension contributions	324	294
Staff Costs	<u>4,073</u>	<u>3,767</u>
Pension asset release	<u>(223)</u>	<u>-</u>
Total Staff Costs	<u><u>3,850</u></u>	<u><u>3,767</u></u>

The pension asset release is the utilisation of the Church Workers Pension Fund surplus being used to offset the LDBF contributions to the scheme in the year. See Note 28 for further details.

The average number of persons employed by the LDBF during 2024 were:

	2024	2023
	Number	Number
Support for Ministry	76	75
Education	12	12
Retreat House	11	11
	<u>99</u>	<u>98</u>

The average number of persons employed by the LDBF during the year based on full-time equivalents:

	2024	2023
	Number	Number
Support for Ministry	63	62
Education	12	12
Retreat House	6	6
	<u>81</u>	<u>80</u>

The numbers of staff whose emoluments (including benefits in kind and redundancy payments but excluding Pension contributions) amounted to more than £60,000 were as follows:

	2024	2023
	Number	Number
£60,001 - £70,000	4	3
£70,001 - £80,000	1	1
£80,001 - £90,000	2	1
£90,001 - £100,000	1	1
	<u><u>8</u></u>	<u><u>6</u></u>

Pension payments of £47,000 were made for these 8 employees (2023: 6 employees £54,000). Included in the above is one employee who is employed by the LDBF but works as Chair of the Diocesan Secretaries Liaison Group. This role is fully funded by a grant from the National Church.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

13. STAFF COSTS (continued)

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the trustees, for planning, directing and controlling the activities of the Diocese. During 2024 they were:

Diocesan Secretary	Jonathan Wood
Chief Finance Officer	Geoff Park
Director of Ministry & Mission	The Revd Canon Andrew Norman
Director of Education	Simone Bennett
Director of Business Planning & Head of Property	John Knox
Director of People and Engagement	Anna Earnshaw
Director of Church Revitalisation	The Revd Jude Smith
Director of Communications	Chris Tate
Head of Safeguarding	Sofia McGreavy (until 21.07.2024)
Head of Safeguarding	Juliette Mclellan (from 22.07.2024)

Remuneration, pensions and expenses for these 10 employees amounted to £649,000 (2023: 9 employees £659,000).

Trustees' emoluments

No Trustee received any remuneration for services as Trustee. The Trustees received travelling and out of pocket expenses, totalling £Nil (2023 – £Nil) in respect of Trustee duties.

The following table gives details of the Trustees who were in receipt of a stipend and/or housing provided by the LDBF during the year:

	Stipend	Housing
The Right Revd Anthony Robinson	No	Yes
The Right Revd Anna Eltringham	No	Yes
The Right Revd Toby Howarth	No	Yes
The Right Revd Smitha Prasadam	No	Yes
The Right Revd Arun Arora	No	Yes
The Ven Paul Ayers	Yes	Yes
The Revd Canon Rachel Firth	Yes	Yes
The Revd Eve Ridgeway	Yes	Yes
The Revd Garry Waddington	Yes	Yes

No other trustees appointed during the year received a stipend or housing.

The LDBF is responsible for funding via the Church Commissioners the stipends of licensed stipendiary clergy in the Diocese, other than bishops and cathedral staff. The LDBF is also responsible for the provision of housing for stipendiary clergy in the Diocese including the Area Bishops but excluding the Diocesan Bishop and cathedral staff.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2024

13. STAFF COSTS (continued)

The LDBF paid an average of 302 (2023 – 312) stipendiary clergy as office-holders holding parochial or diocesan appointments in the Diocese, and the costs were as follows:

	2024	2023 (Restated)
	£'000	£'000
Stipends	8,874	8,637
Apprentice Levy	39	39
National insurance contributions	717	680
Pension contributions	1,957	2,110
Total	11,587	11,466

Stipends include £NIL redundancy payments (2023 – £39,000 to one clergy).

The stipends of the six Bishops were paid and funded by the Church Commissioners. The stipends of the Diocesan Bishop and Area Bishops are funded by the Church Commissioners and are in the range £42,350 - £51,910 (2023: £39,953 - £48,972). The annual rate of stipend, funded by the LDBF, paid to Archdeacons in 2023 was £41,812 (2023: £39,445) and other clergy who were Trustees were paid in the range £29,333 - £31,093 (2023: £27,059 – £29,333).

14. ANALYSIS OF TRANSFERS BETWEEN FUNDS

	Unrestricted funds		Restricted Funds	Endowment Funds
	General £'000	Designated £'000	£'000	£'000
Transfer Parsonage House to Pastoral Fund	-	-	595	(595)
Transfer of S554 funds to General Funds to support Board of Education expenditure	300	-	(300)	-
Total Return transfer from Stipends Capital to General Funds (Note 18)	805	-	-	(805)
Transfer of housing assets following Pastoral Schemes	1,346	-	-	(1,346)
	2,451	-	295	(2,746)

Transfers from restricted to unrestricted funds of £0.3m were undertaken to support the work of the Board of Education.

The transfer of six houses took place on the completion of Pastoral Schemes, resulting in transfers of £1.3m from benefice funds to unrestricted funds. Whilst one house was transferred from benefice funds to the Pastoral Fund with a value of £0.6m.

Within endowment funds (and therefore not visible above) £0.6m was transferred from glebe land to the stipends fund capital being the proceeds on sale of these assets, and £0.4m from the stipends fund capital to glebe housing on the purchase of a new property. Additionally, £0.2m was transferred from benefice housing to stipends fund capital following the swap of a parsonage property, which resulted in surplus funds. Also within endowment funds, is the transfer of £1.3m from the maintenance of ministry fund to the stipends fund capital.

Following the adoption of total return accounting in 2024, £0.8m has been transferred from the stipends fund capital to general, unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

15. FINANCIAL INSTRUMENTS

	2024	2023
	£'000	£'000
Financial assets measured at fair value	34,243	33,729
Financial assets measured at amortised cost	578	958
	<u> </u>	<u> </u>
Financial liabilities measured at amortised cost	4,334	4,833
Financial liabilities measured at fair value	1,554	1,922
	<u> </u>	<u> </u>

Financial assets measured at fair value comprise unlisted investments.

Financial assets measured at amortised cost comprise trade debtors, other debtors, value linked loans and other loans to parishes and schools and other receivables.

Financial liabilities measured at fair value comprise Church Commissioners' value linked loans.

Financial liabilities measured at amortised cost comprise pension scheme liabilities, other creditors and amounts held for other bodies and Church Commissioners' other loans.

16. TANGIBLE FIXED ASSETS

	Freehold properties	Office equipment	Fixtures & Fittings	Benefice properties	Pastoral Fund	School House	Glebe properties	Total
Cost or valuation	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2024	52,597	821	351	101,898	-	308	18,525	174,500
Additions	17	-	119	1,170	-	-	533	1,839
Disposals	(1,515)	-	-	(700)	-	-	(290)	(2,505)
Reclassified in period	1,346	-	-	(1,941)	595	-	-	-
Revaluation	-	-	-	-	(95)	-	-	(95)
At 31 December 2024	52,445	821	470	100,427	500	308	18,768	173,739
Depreciation								
At 1 January 2024	-	821	26	-	-	86	-	933
Charge for the year	-	-	52	-	-	6	-	58
At 31 December 2024	-	821	78	-	-	92	-	991
Net Book Value								
At 31 December 2024	52,445	-	392	100,427	500	216	18,768	172,748
At 31 December 2023	52,597	-	325	101,898	-	222	18,525	173,567

All of the properties in the Balance Sheet are freehold and are vested in the LDBF, except for benefice houses which are vested in the incumbent. Some properties have been purchased with the help of permanent and/or value-linked loan from the Church Commissioners; when disposed of, the appropriate share of the net sale proceeds will be remitted to the Commissioners, and the related loan liability extinguished. The value of such properties (included in the above) amounts to £4,500,000 (2023: £5,010,000). Of the total land and buildings at 31 December 2024, £NIL are valued at cost (2023: £NIL), but all at valuation.

Properties are subject to a five-year cycle of survey and consequent revaluation, with the last market valuation being as at 31st December 2023 by Nigel Tapp BSc MRICS of Tapp Chartered Surveyors.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

17. FIXED ASSETS INVESTMENTS

	At 1 January 2024 £'000	Additions £'000	Disposals £'000	Transfers Value £'000	Change in Market Value £'000	At 31 December 2024 £'000
Unrestricted funds						
Unlisted investments	2,679	-	-	-	61	2,740
Designated funds						
Unlisted investments	15	-	(15)	-	-	-
Restricted funds						
Unlisted investments	14,012	2,467	(2,466)	-	263	14,276
Endowment funds						
Investment property	7,820	-	(530)	-	-	7,290
Unlisted investments	17,023	4,687	(4,766)	-	283	17,227
	24,843	4,687	(5,296)	-	283	24,517
Total	41,549	7,154	(7,777)	-	607	41,533

18. Total Return Accounting

	Trust for Investment £'000	Unapplied Total Return £'000	Total £'000
As at 1 January 2024			
Base Value of Permanent Endowment	7,757	-	7,757
Unapplied Total Return	-	6,957	6,957
Total	7,757	6,957	14,714
Recognition of endowment funds	212	-	212
Investment returns: dividends received [^]	-	505	505
Investment returns: realised and unrealised gains	-	240	240
Unapplied total return applied to income during the year	-	(805)	(805)
Net movements in the year	212	(60)	152
As at 31 December 2024			
Base Value of Permanent Endowment	7,969	-	7,969
Unapplied Total Return	-	6,897	6,897
Total	7,969	6,897	14,866

[^] Dividends received are net of investment fees.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

18. Total Return Accounting (continued)

From 1 January 2024 the LDBF has adopted a total return approach to investments with regard to the Stipend Capital Fund, which, following the transfer of the maintenance of ministry funds, was valued at £14,714,000 at 1 January 2024. The initial base values for implementing total return were determined at 30 June 2009 and valued at £7,757,000. The unapplied total return was set at £6,957,000, as the increase in the value of these investments since the initial valuation.

As agreed by the LDBF Board in November 2023, the spending policy was set as the income generated from the Stipends Capital Fund plus £300,000, inflated by 2% per annum. This being the amount to be transferred to income. The Board also agreed that an internal Inflation Reserve should be set at a flat rate of 2% increase per annum. Both the increase in drawdown and the rate used for the Inflation Reserve will be reviewed and agreed by the Finance, Assets and Investments Committee each year.

During 2024, additional endowment funds of £212,000 were recognised, being parish stipends capital funds that have previously been held as custodian trustee investments but which, on review, can only be utilised by the LDBF. Investment gains were £240,000 in 2024. Dividends (net of fees) amounted to £505,000, and so together with the £300,000 drawdown agreed by the Leeds Board, total income transferred to unrestricted funds in the year was £805,000. The closing value of Stipends Capital Fund investments was £14,866,000 at 31 December 2024, an increase of £152,000 on the opening position.

19. DEBTORS

	2024	2023
	£'000	£'000
Due within one year		
Loans to parishes	52	144
Pension surplus	199	-
Other debtors and prepayments	487	775
	<u>738</u>	<u>919</u>
Due after more than one year		
Loans to parishes	39	39
Pension surplus	1,140	-
	<u>1,179</u>	<u>958</u>
Total debtors	<u><u>1,179</u></u>	<u><u>958</u></u>

20. CREDITORS: amount falling due within one year

	2024	2023
	£'000	£'000
Loan repayment instalments due in one year		
Church Commissioners value-linked loans	243	-
Church Commissioners other loans	100	100
Other taxes and social security	87	82
Other creditors and accruals	3,996	4,400
	<u>4,426</u>	<u>4,582</u>
Total creditors: amounts falling due within one year	<u><u>4,426</u></u>	<u><u>4,582</u></u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

21. CREDITORS: amount falling due after more than one year

	2024	2023
	£'000	£'000
Loan repayment instalments due after more than one year		
Church Commissioners value-linked loans	1,311	1,922
Church Commissioners other loans	151	251
Total creditors: amounts falling due after more than one year	1,462	2,173
The maturity of the above loans may be analysed as follows:		
Between one and two years	98	100
Between two and five years	53	151
In five years or more	1,311	1,922
	1,462	2,173

Church Commissioners other loans consist of permanent loans in collection which are mortgage loans for the purchase of clergy houses; the amount falling due after more than one year all relates to the General Fund. These loans are repayable over terms ranging from 5 to 25 years in quarterly instalments, with the final loan repayable in 2028. The loans bear interest rates between 7.7% and 10.34%, which is borne by the LDBF. In the event of sale, the loan would be settled out of the proceeds and there would be no further charge to the LDBF.

Value-linked loans (VLLs) are funds advanced to the LDBF for the purchase of properties on an equity sharing basis and are repayable on the disposal of the related property. The loans are held at fair value based on the latest valuations of the linked properties, with valuations taking place every 5 years. The latest valuation took place at 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

22. SUMMARY OF FUND MOVEMENTS

2024	Balances at 1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and Losses £'000	Balances at 31 December 2024 £'000
UNRESTRICTED FUNDS						
General	55,808	19,121	(20,028)	2,451	61	57,413
DESIGNATED FUNDS						
Archdeacons Discretionary	14	1	-	-	-	15
Ingrow Fund	20	-	-	-	-	20
Mission Fund	621	-	-	-	-	621
Carbon Reduction Fund	139	-	(13)	-	-	126
	794	1	(13)	-	-	782
RESTRICTED FUNDS						
Section 554 Education	6,536	392	(226)	(300)	107	6,509
Clergy & Dependants hardship funds	121	24	(28)	-	1	118
Bradford Summer Camps	1	-	-	-	-	1
Local Educational Funds	41	3	-	-	-	44
Retreat House support funds	46	56	-	-	-	102
Local Parochial purposes	108	2	(6)	-	1	105
Appeals & specific purposes	73	44	(2)	-	-	115
Clergy & lay stipend augmentation	163	1	-	-	-	164
Church building repair funds	433	14	(53)	-	9	403
Housing repair funds	14	14	(8)	-	-	20
Pastoral Account	7,372	180	(103)	595	4	8,048
Managing Trustees funds	51	-	-	-	-	51
Inglefield funds	1,691	56	-	-	28	1,775
Training for ministry funds	979	(48)	(45)	-	18	904
NCI Diocesan Investment Programme	109	2,117	(2,162)	-	-	64
Other NCI Funding	16	557	(325)	-	-	248
Parish Energy Support Grants	10	-	(1)	-	-	9
	17,764	3,412	(2,959)	295	168	18,680
ENDOWMENT FUNDS						
Permanent						
Stipends Capital – investments	14,042	836	(205)	192	231	15,096
Glebe properties	18,525	-	-	243	-	18,768
Benefice properties	101,897	26	(94)	(1,402)	-	100,427
Glebe land	7,820	-	(19)	(511)	-	7,290
Expendable						
General purposes & administration	212	-	(1)	-	-	211
Maintenance of Ministry	1,268	-	-	(1,268)	-	-
Training for ministry funds	142	-	-	-	3	145
Clergy & dependants hardship funds	1,424	45	(15)	-	21	1,475
Local Parochial purposes	578	-	-	-	9	587
Church building repair funds	580	13	(73)	-	9	529
Housing repair funds	99	3	-	-	3	105
Local Education Funds	108	-	-	-	2	110
Funds to support Religious Education	171	-	-	-	3	174
Appeal funds & specific purposes	43	1	-	-	2	46
	146,909	924	(407)	(2,746)	283	144,963
	221,275	23,458	(23,407)	-	512	221,838

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

22. SUMMARY OF FUND MOVEMENTS (continued)

2023	Balances at 1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and Losses £'000	Balances at 31 December 2023 £'000
UNRESTRICTED FUNDS						
General	50,221	20,214	(21,732)	1,553	5,552	55,808
DESIGNATED FUNDS						
Archdeacons Discretionary	11	-	-	-	1	12
Ingrow Fund	20	-	-	-	-	20
Mission Fund	621	-	-	-	-	621
Carbon Reduction Fund	142	-	(1)	-	-	141
	794	-	(1)	-	1	794
RESTRICTED FUNDS						
Section 554 Education	6,503	207	(164)	(325)	315	6,536
Clergy & Dependants hardship funds	114	35	(33)	-	5	121
Bradford Summer Camps	1	-	-	-	-	1
Local Educational Funds	37	3	-	-	1	41
Retreat House support funds	37	9	-	-	-	46
Local Parochial purposes	14	52	-	42	-	108
Appeals & specific purposes	70	6	(3)	-	-	73
Clergy & lay stipend augmentation	163	-	-	-	-	163
Church building repair funds	396	13	(11)	-	35	433
Housing repair funds	-	19	(5)	-	-	14
Pastoral Account	6,613	976	(26)	(500)	309	7,372
Managing Trustees funds	51	-	-	-	-	51
Inglefield funds	1,597	49	-	(50)	95	1,691
Training for ministry funds	891	327	(270)	(50)	81	979
NCI Diocesan Investment Programme	83	801	(775)	-	-	109
Other NCI Funding	-	581	(565)	-	-	16
Parish Energy Support Grants	9	-	1	-	-	10
	16,579	3,078	(1,851)	(883)	841	17,764
ENDOWMENT FUNDS						
Permanent						
Stipends fund capital	13,349	9	(161)	360	485	14,042
Glebe Properties	16,040	-	-	353	2,132	18,525
Benefice Properties	92,634	226	(495)	(829)	10,361	101,897
Glebe Land	4,552	218	-	(554)	3604	7,820
Expendable						
General purposes & administration	212	-	-	-	-	212
Maintenance of Ministry	1,121	41	-	-	106	1,268
Training for ministry funds	117	25	-	-	-	142
Clergy & dependants hardship funds	1,242	109	(11)	-	84	1,424
Local Parochial purposes	544	-	-	-	34	578
Church building repair funds	563	52	(65)	-	30	580
Housing repair funds	-	99	-	-	-	99
Local Education Funds	98	-	-	-	10	108
Religious Education support	156	-	-	-	15	171
Appeal funds & specific purposes	43	-	-	-	-	43
	130,671	779	(732)	(670)	16,861	146,909
	198,265	24,071	(24,316)	-	23,255	221,275

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

23. SUMMARY OF ASSETS BY FUND

2024	Fixed assets Tangible £'000	Investments £'000	Other Assets £'000	Creditors £'000	Net Assets £'000
Unrestricted funds – General	52,837	2,740	4,520	(2,684)	57,413
Unrestricted – designated					
Archdeacons Discretionary	-	-	15	-	15
Ingrow Fund	-	-	20	-	20
Mission Fund	-	-	621	-	621
Carbon Reduction Fund	-	-	126	-	126
	-	-	782	-	782
Restricted					
Section 554 Education	216	6,115	178	-	6,509
Clergy & Dependants hardship funds	-	55	63	-	118
Bradford Summer Camps	-	-	1	-	1
Local Educational Funds	-	13	31	-	44
Retreat House support funds	-	-	102	-	102
Local Parochial purposes funds	-	51	54	-	105
Appeals & specific purposes	-	-	339	(224)	115
Clergy & lay stipend augmentation	-	-	164	-	164
Church building repair funds	-	416	(13)	-	403
Housing repair funds	-	-	20	-	20
Pastoral Account	500	5,453	2,095	-	8,048
Managing Trustees	-	-	51	-	51
Inglefield funds	-	1,372	403	-	1,775
Training for ministry funds	-	801	103	-	904
NCI Diocesan Investment Programme	-	-	64	-	64
Other NCI Funds	-	-	248	-	248
Parish Energy Support Grants	-	-	9	-	9
Schools LCVAP Building Programme	-	-	2,977	(2,977)	-
	716	14,276	6,889	(3,201)	18,680
Endowment					
Permanent					
Stipends fund capital	-	14,866	230	-	15,096
Benefice houses	100,427	-	-	-	100,427
Glebe Land	-	7,290	-	-	7,290
Glebe Properties	18,768	-	-	-	18,768
Expendable					
General Purposes	-	-	211	-	211
Maintenance of Ministry	-	-	-	-	-
Appeal funds & other specific purposes	-	3	46	(3)	46
Church building repair funds	-	401	128	-	529
Housing repair funds	-	77	28	-	105
Training for Ministry	-	145	-	-	145
Clergy & Dependants hardship funds	-	1,052	423	-	1,475
Local Parochial purposes funds	-	399	188	-	587
Local Educational Funds	-	110	-	-	110
Religious Education support funds	-	174	-	-	174
	119,195	24,517	1,254	(3)	144,963
Total funds	172,748	41,533	13,445	(5,888)	221,838

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2024

23. SUMMARY OF ASSETS BY FUND

2023	Fixed assets		Other		Net
	Tangible	Investments	Assets	Creditors	Assets
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds – General	52,922	2,679	3,560	(3,353)	55,808
Unrestricted - designated					
Archdeacons Discretionary	-	15	1	(2)	14
Ingrow Fund	-	-	19	-	19
Mission Fund	-	-	621	-	621
Carbon Reduction Fund	-	-	140	-	140
	-	15	781	(2)	794
Restricted					
Section 554 Education	222	6,008	306	-	6,536
Clergy & Dependants hardship funds	-	54	67	-	121
Bradford Summer Camps	-	-	1	-	1
Local Educational Funds	-	13	28	-	41
Retreat House support funds	-	-	46	-	46
Local Parochial purposes funds	-	50	58	-	108
Appeals & specific purposes	-	-	301	(228)	73
Clergy & lay stipend augmentation	-	-	164	-	164
Church building repair funds	-	406	27	-	433
Housing repair funds	-	-	14	-	14
Pastoral Account	-	5,354	2,019	-	7,373
Managing Trustees	-	-	50	-	50
Inglefield funds	-	1,344	347	-	1,691
Training for ministry funds	-	783	196	-	979
NCI Diocesan Investment Programme	-	-	109	-	109
Other NCI Funds	-	-	15	-	15
Parish Energy Support Grants	-	-	10	-	10
Schools LCVAP Building Programme	-	-	3,170	(3,170)	-
	222	14,012	6,928	(3,398)	17,764
Endowment					
Permanent					
Stipends fund capital	-	13,448	594	-	14,042
Benefice houses	101,898	-	-	-	101,898
Glebe Land	-	7,820	-	-	7,820
Glebe Property	18,525	-	-	-	18,525
Expendable					
General Purposes	-	-	212	-	212
Maintenance of Ministry	-	1,266	2	-	1,268
Training for Ministry	-	143	-	-	143
Clergy & Dependants hardship funds	-	1,029	393	-	1,422
Local Educational Funds	-	108	-	-	108
Local Parochial purposes funds	-	390	188	-	578
Church building repair funds	-	393	188	-	581
Housing repair funds	-	74	25	-	99
Religious Education support funds	-	170	-	-	170
Appeal funds & other specific purposes	-	2	43	(2)	43
	120,423	24,843	1,645	(2)	146,909
Total funds	173,567	41,549	12,914	(6,755)	221,275

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

24. DESCRIPTION OF FUNDS

Fund category	Purpose	Funds included in this category
General fund	The general fund is the LDBF's unrestricted undesignated fund available for any of the LDBF's purposes without restriction.	
Archdeacons Discretionary Fund	Represents grants received set aside to be used at the discretion of Archdeacons.	
Ingrow Fund	Funds from the bequest of Nora Curry left for the benefit of the parish of Ingrow.	
Mission Fund	Funds to support future SDF projects and the creation of a Parish Growth Fund.	
Carbon Reduction Fund	Funds to enable adjustments to our buildings that reduce their carbon footprint	
Section 554	Established under S86 of the Education Act 1993. Capital monies to develop or build new or existing voluntary aided schools or maintain such schools or contribute to educational purposes.	
Clergy and dependents hardship funds	Funds to provide relief of clergy and their dependents in financial hardship.	Clergy Stipend Trust, Clergy Widow and Dependents, Queen Victoria Trust, Leeds Diocese Charitable Society Trust, Aid to Parish Clergy, Widows, Clergy Retirement, Education Grants, Birstall Deanery Fund
Bradford Summer Camps Bursary	Funds to provide support to children & youths to enable them to attend summer camps in cases of financial hardship.	
Local educational funds	For educational purposes in the areas named	Shipley cum Heaton District CofE School Trust, Keighley St Peter Educational Trust
Retreat House support funds	Support towards the Diocesan Retreat House	Friends of Parcevall Hall, Parcevall Hall Bursary
Local Parochial purposes funds	For general parochial purposes in the area named.	North Wing Mission, Guiseley Carleton, Samaritans Fund, Keighley All Saints McNish
Appeals and special purposes funds	Funds comprise donations received for specific appeals and purposes, including work in Links Dioceses.	Interfaith fund, Youth Evangelism, Special Appeals, Northern Sudan, Kadugli Appeal, Church in the World TM Wright Sudan relief, St Martin in the Field, Duker (deaf ministry)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2024

24. DESCRIPTION OF FUNDS (continued)

Fund category	Purpose	Funds included in this category
Church building repair funds	For repairs to churches of the Evangelical tradition in the Church of England within the Diocese, or funds to support the provision of loans to assist major works to be carried out on church buildings.	The First Lord Grimethorpe Charity, Church building fund, Harrogate Churches, Church Building Repair, Davy bequest, Loan fund, Kiddle Bequest
NCI Diocesan Investment Programme	Funds major change projects, which lead to a significant difference in dioceses' mission and financial strength, and the increase in curate numbers	
Other NCI Funds	Other funding received from the National Church outside the Diocesan Investment Programme.	
Clergy & lay stipend augmentation	Funds for the augmentation of clergy and lay stipends	
Pastoral Account	This fund includes the proceeds of buildings closed for regular public worship, parsonages and land sales. The purpose for which this account may be used are laid down in Section 94 of the Pastoral Measure 2011.	
Inglefield	Created from sale of Diocesan Retreat House at Barrowby, and assets transferred from the Booker Bequest. Income used to aid Diocesan Synod, conferences and theological courses.	
Training for ministry	Income used towards cost of training ordinands.	Resourcing Ministerial Education (RME)
General purposes and administration	Funds from bequests to be used to support administration and general purposes	
Maintenance of ministry	Funds from bequests to be used to support stipends in specific parishes	
Pensions	Funds from bequests to be used in supporting clergy pensions.	
Stipends Fund Capital	The income of the fund can only be used for clergy stipends (but since 1993 capital can be used for improvements to parsonage houses) and is governed by the Diocesan Stipends Measure 1953.	

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

24. DESCRIPTION OF FUNDS (continued)

Fund category	Purpose	Funds included in this category
Glebe Land	This fund is governed by the Endowments and Glebe Measure 1976; It represents the value of agricultural or commercial land in the Diocese, primarily held to generate sustainable income to support clergy stipends.	
Benefice Properties	This represents the value of all benefice housing (parsonages) in the Diocese after deducting any loans due on the properties.	
Funds for support of religious education	Income used to support schools work, and to meet the office and travel costs of religious education advisers.	Schools fund, Religious education advisor expenses support
Housing Repair	Funds reserved for the repair and maintenance of specific properties	Dove Trust, Whitkirk Deanery Curates Housing Fund

25. CAPITAL COMMITMENTS

At 31 December 2024 the LDBF had capital expenditure commitments of £nil (2023 - £nil) which are contracted for but not provided for in these financial statements.

26. OPERATING LEASES

Total amounts payable under non-cancellable operating leases are as follows:

	2024 £'000	2023 £'000
Land and buildings		
Within one year of the balance sheet date	30	24
In the second to fifth year of the balance sheet date	120	95
After the fifth year of the balance sheet date	-	22
	<u>150</u>	<u>141</u>

27. POST BALANCE SHEET EVENTS AND CONTINGENT LIABILITIES

There were no post balance sheet events or contingent liabilities at the Balance Sheet date.

28. PENSIONS

During 2024 the LDBF participated in two pension schemes administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the LDBF and the other participating employers. One of these is the **Church of England Funded Pension Scheme** for stipendiary clergy. The other is the **Church Workers Pension Fund**. The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2024

28. PENSIONS (continued)**Church of England Funded Pension Scheme**

With effect from 1 January 1998, diocesan clergy became members of the Church of England Funded Pensions Scheme. This defined benefit scheme provides benefits based on the National Minimum Stipend in the year before their date of retirement and provides for that part of the benefit that relates to pensionable service after 1 January 1998. Benefits are currently being accrued on the basis of half of the National Minimum Stipend (NMS) being paid as the normal pension on reaching the age of 68 on completion of maximum service of 41.5 years, or 1.25 times this amount for archdeacons, plus a lump sum of three times the pension based on the previous year's NMS payable from the scheme. Pensions in respect of pensionable service before 1 January 1998 will be provided for by the Church Commissioners under the previous arrangements.

	December 2024	December 2023
Number of members	317	310

Leeds DBF participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies. Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions are shown in Note 13 (see also below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030;
- Increase in pensionable stipends in line with CPIH; and
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded.

The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

% of pensionable stipends	January 2021 to December 2022	January 2023 to December 2023
Deficit repair contributions	7.1%	Nil

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

28. PENSIONS (continued)

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2023 is nil.

The legal structure of the scheme is such that if Responsible Body fails, the Diocese of Leeds could become responsible for paying a share of that Responsible Body's pension liabilities.

Church Workers Pension Fund – Defined Benefits Scheme

Until 31 December 2018 the Leeds DBF participated in the Defined Benefits Scheme section of CWPF for lay staff of the former three dioceses. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, the DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is considered a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions are shown in Note 13 (see also below).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of DBS is carried out once every three years. At the most recent valuation at 31 December 2022 there was a surplus of £73.6m. Of this, £1.8m was deemed by The Pensions Board to be a usable surplus by the LDBF. Of this £0.2m was utilised in 2024 and £1.6m has been recognised at the year-end at the net present value of the expected utilisation of that balance (i.e. £1.3m) and will be released in future years to offset employer contributions for current participating employees.

The next actuarial valuation is currently taking place as at 31 December 2025.

Since 31 December 2023, the Board has entered into a full buy-in agreement with Aviva to insure all accrued benefits within the DBS of the CWPF.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

28. PENSIONS (continued)

The Church of England Pensions Board agreed that deficit contributions should cease with effect from 31 December 2022 for employers whose pools were estimated to be materially in surplus. As a result, there is no obligation recognised as a liability within the Employer's financial statements as at 31 December 2023 or 31 December 2024.

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there were no deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2023 and 31 December 2024 is nil.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (see Note 13 and above).

A valuation of the scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2025, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2024. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, the Leeds DBF could become liable for paying a share of that employer's pension liabilities.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

28. PENSIONS (continued)

From 1 January 2019 until 30 November 2022 all lay staff employed by the LDBF are enrolled in the Pension Builder Classic scheme. On 1 December 2022 the a new Defined Contribution pension scheme (the Flexible Retirement Plan from TPT Retirement Solutions) was introduced for all new starters and existing employees were able to transfer across. Contribution rates are the same as for the Pension Builder Classic Scheme – 8.0% of pensionable salary unmatched, plus up to a further 5.0% matched to employee contributions.

29. RELATED PARTY TRANSACTIONS

The Board enters into transactions, on a regular basis, with other autonomous organisations within the Church of England - e.g. Parishes, the Cathedrals, the Central Board of Finance, the Archbishops Council of the Church of England and the Church Commissioners. From time to time Directors and key managers of the Board may serve on committees of other bodies, or the General Synod. It is not considered appropriate to report the detail of such transactions since no person or group of people so serving have any significant influences over any material transactions.

There are no unusual transactions with such bodies reflected in these financial statements.

30. FUNDS HELD AS CUSTODIAN TRUSTEE

The LDBF acts as Diocesan Authority or custodian trustee for many trust funds by virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964 where the managing trustees are parochial church councils and others. Assets held in this way are not aggregated in these financial statements as the LDBF does not control them. The financial assets held in this way may be summarised as follows:

	2024	2023
	£000	£000
CBF Church of England Investment Fund income shares	11,784	11,794
CBF Church of England Investment Fund accumulation shares	40	38
CBF Church of England UK Equity shares	83	82
CBF Church of Global Equity shares	643	575
CBF Church of England Fixed Interest Securities Fund shares	303	299
CBF Church of England Property Fund shares	337	348
Other common investment fund holdings	471	559
Direct holdings in UK equities	383	375
CBF Church of England Deposit Fund	1,899	1,861
	<u>15,943</u>	<u>15,931</u>
Total assets held as custodian trustee	<u>15,943</u>	<u>15,931</u>

