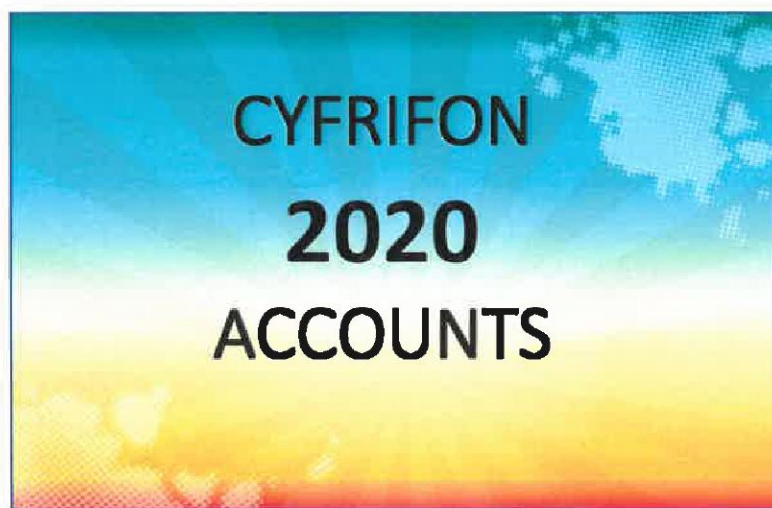


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ST DAVIDS DIOCESAN BOARD OF FINANCE

Visit our website for further details:
www.stdavids.churchinwales.org.uk

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

REPORT AND FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

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THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

The Trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2019)

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 2020.

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:

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

OBJECTIVES AND ACTIVITIES

The principal activity of the charity is to promote, aid and assist the objectives, work and business of the Church in Wales generally in the Diocese of St Davids.

The key objectives of St Davids Diocesan Board of Finance's (the Board) are:

- To ensure that there is sufficient revenue to maintain the level of Mission and Ministry for the Diocese.
- To manage the Diocesan Portfolio of investments so as to achieve a balance between income and capital growth, without taking undue risk.
- To manage the property owned by and vested in the Board.
- To enable an efficient, professional and administrative service across a range of administrative functions including:
 - management of trusts and other funds held by the Board.
 - organisation of Board Meetings and Diocesan Committees.
 - maintenance of databases, management information and legislative compliance.
 - provision of advice and support on a range of issues.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

For 2020 the main objectives were:

- **Fund Performance** – To make an asset return in accordance with the % agreed with the Board's Investment Advisers and which compared favourably against agreed benchmarks.
- **Reserves** – To maintain the agreed level of reserves in the Unrestricted General Fund.
- **Financial Stability** – To continue to ensure financial stability and enable the cost of Ministry to the Diocese.
- **Diocesan Strategy** – To liaise with the Bishop and her senior staff, to assist with the implementation of the Diocesan Strategy which will respond to the current financial, economic and ministerial challenges being faced by the Church and meet the needs of the Diocese.

The short term objectives of the Board are as stated above.

In the long term, the Board is mindful of ensuring that the ministerial and structural changes proposed in the Diocesan Strategy reflect current thinking.

PUBLIC BENEFIT

The Trustees are aware of their responsibilities in ensuring that the Board delivers identifiable benefits to the public in accordance with established objectives and permitted activities. They have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning their future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. An amount has been committed towards funding projects associated with Social Responsibility in the wider community.

GRANT MAKING POLICIES

All grants made are agreed by the Board.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

- **INVESTMENT PERFORMANCE**
 - **Diocesan Portfolio Performance**

The global economy has suffered an unprecedented shock following the outbreak of COVID-19. Investors' concerns were initially focused on China, but as the virus spread across continents it became clear that the virus would have much broader consequences than first thought. Share prices around the world suffered large falls, bringing an end to the 10-year bull run. From its previous peak, America's benchmark S&P 500 Index experienced its fastest fall of more than 20% since its inception in 1957. The pandemic and ensuing global lockdowns caused many economies to fall into the most severe recessions since the end of World War II. But the recovery has been stronger – and faster – than many predicted, primarily due to huge central bank and government support programmes.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

Equities rebounded in the summer months but there was a big divergence in sector performance. The rally was mainly led by large technology companies, which conduct most their business online and have continued to grow their profits through the lockdowns. In the last quarter of 2020 positive vaccine news increased confidence about an economic recovery and helped boost global stock markets further. Following the vaccine announcements, there was a rotation into more cyclical sectors which had been hardest hit by COVID-19, including airlines, energy and hospitality as hope grew about the world returning to normality.

Markets reacted positively when, after a failed attempt by the Trump campaign to overturn election results in several states, America's electoral college officially declared Joe Biden President-elect. Markets also breathed a sigh of relief that after four years of negotiations the UK and the EU had agreed a free trade deal in principle for goods.

Positive vaccine news boosted confidence about an economic recovery and helped fuel a global stock market rally towards the end of 2020. Despite the more positive outlook and subsequent market rebounds, UK equities have still not recovered from the falls experienced at the beginning of the year. The UK stock market (FTSE All-Share) ended the year down -9.82%. The returns of the St David's Diocesan Board of Finance portfolio were boosted by our holdings in fixed interest and overseas equities and the portfolio ended the year up 1.86%. By comparison the composite benchmark was up 1.95%.

At the end of the year the portfolio was worth £6,704,113 with a further £33,351 of cash held in a separately identifiable account.

➤ **Investment Property**

The investment property has been valued independently by a professional valuer at the open market value of the freehold land and buildings for investment purposes and it exceeds the historical cost by £1,678,765. If sold, there is no known taxation liability.

➤ **Restricted Freehold Property**

The restricted freehold properties include one leased property and four former schools. The leased properties were valued in 2016 by an independent valuer, while the other four properties were valued by Directors/Trustees.

• **SUPPORTING THE MINISTRY**

Clergy Stipend Levels	2020	2019
	£	£
Assistant Curate	21,559	21,115
Incumbent and Vicar in Rectorial Benefice	25,363	24,841
Rector of Rectorial Benefice	26,631	26,083
Residentiary Canon	29,167	28,568
Archdeacon	38,805	38,007
Dean	39,313	38,505

The Board received a grant towards the Cost of Ministry from the Representative Body.

TRUSTEES' REPORT

For the Year Ended 31 December 2020

Up to 31 December 2006, the Representative Body funded the total costs of clergy pensions, thereafter the cost of current clergy pension contributions has been met by the Board. The Representative Body carried out a clergy pension review, which resulted in a reduced contribution of 36.5% from 38.8% of stipends. The Board continues to meet the costs of ministerial training in conjunction with the Representative Body.

The number of stipendiary clergy posts within the Diocese at 31 December 2020 was 82.

The Board received the following support from the Representative Body:

- Administration of payment of Council Tax on Parsonages
- IT Support
- Administration of Stipends
- Advice on statutory duties e.g., Rent Smart Wales, Data Protection
- Safeguarding

FINANCIAL REVIEW

• **OVERALL FINANCIAL POSITION**

The results for the year are shown on pages 21 to 23 in the Statement of Financial Activities. The excess of expenditure over income in respect of Unrestricted General Funds amounted to £173,832 which after adjustment for realised gains/(losses), the decrease to market value and transfers, resulted in a deficit of £178,449.

The Board received a grant from the Representative Body towards various purposes amounting to £1,142,192 (2019: £1,142,191). The Board also received £1,374,728 additional financial support from the Representative Body to soften the impact of COVID 19.

The other principal source of funding was Ministry Share amounting to £3,763,471. The Board decided to support Churches by reducing Ministry Share by £1,880,735. Ministry Share arrears up to 31st December 2019 had been written off during the year. This amounted to £396,484.

• **RESERVES POLICY**

The Trustees regularly review the reserves of the Board as a matter of policy. Reviews encompass the nature of the income and expenditure stream; the need to match variable income with fixed commitments; and the nature of the reserves.

Unrestricted General Reserves

The Board has concluded that its reserves should be a minimum six months of Unrestricted General Fund expenditure to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall.

The total Unrestricted General Funds have reduced from £5,837,367 to £5,658,918. These reserves include a Revaluation Reserve Fund amounting to £1,678,765. The reserves held equates to more than seven months reserves.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

Designated Funds

The Trustees may, with the approval of the Board, designate additional unrestricted reserves to be retained for an agreed purpose where this is considered to be prudent. The designated reserves are reviewed on an annual basis and returned to the Unrestricted General Funds in the event that there is no justification for their retention. A description of each fund together with its intended use is set out in Note 25. At the 31 December 2020, the total Designated Funds were £2,394,909 (2019: £2,552,089).

Restricted and Endowment Funds

As set out in Notes 23 and 24 the Board holds and administers several Restricted and Endowment Funds. At 31 December 2020, Restricted Income Funds amounted to £2,032,635 (2019: £1,857,444) and Restricted Capital Endowment Funds amounted to £3,861,688 (2019: £3,963,755). None of these funds are available for the general purposes of the Board.

• **PRINCIPAL RISKS AND UNCERTAINTIES**

The Trustees are responsible for the identification, mitigation and/or management of risk. To achieve this, a register of all risks identified is maintained and, alongside it, a management and mitigation strategy formed. This is reviewed annually by the Trustees with the responsibility for delivery of the mitigation strategies identified by it, delegated to the Diocesan Secretary.

The Risk Register has identified four areas where the risk of either failure to act or the impact of the events is considered 'high'. These areas and associated mitigation strategies are:

Under Collection of Ministry Share

- Arrears are reported quarterly and monitored by the Ministry Share Committee which reports to the Board. In addition, arrears are brought to the attention of the Archdeacons and the Stewardship & Support Officer (SASO).
- The Diocesan Stewardship and Support Officer with the involvement of the Archdeacons, contacts a Parish to discuss arrears or concerns regarding the payment of Ministry Share and assists in reviewing the accounts and procedures and draws up a recommendation report.
- A provision is made in the accounts for overdue Ministry Share which has a significant risk of proving uncollectable.

Under-Performance of Return on Investments

- Ongoing monitoring by the Board's Investment Adviser (Rathbones).
- Investment Sub Committee meets twice a year with the Board's Investment Adviser to discuss the Portfolio's performance.

Non-Payment and/or Reduction of the Block Grant by the Representative Body

- Ensure that the conditions of the Block Grant are complied with.
- Regular liaison and discussion with the Representative Body regarding any proposed changes.
- The Chairman and the Diocesan Secretary to monitor.

Data Protection

- Appointment of a designated employee.

TRUSTEES' REPORT

For the Year Ended 31 December 2020

- Regular liaison with the Board's legal advisers.

- **INVESTMENT POLICY**

The Diocesan Portfolio is managed on a discretionary management basis by Rathbones. The objective is to place importance on total return rather than a specific return on income or capital appreciation in isolation.

The Board is holding a high level of cash reserves due to the interest rate earned on its current account balances being greater than those offered on short term deposits. These rates were offered by the Board's Banking provider following the completion of the review by the Board of its banking provision. It is not normally the policy of the Board to hold such a significant amount of its assets in cash. The Board may consider it appropriate to review its investment policy.

Investment Objectives

The Board seeks to produce the best financial return without taking undue risk. The investment objective is to balance income and capital returns.

The assets should be managed to at least maintain the real capital value, whilst generating a sustainable level of investment income to support St Davids Diocesan Board of Finance activities.

Where possible, the value of the assets should be enhanced as to at least keep pace with inflation over the longer term.

The Board adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that if in any one year the total return is insufficient to meet the budgeted expenditure, in the long term the real value of the Board investments will still be maintained in accordance with the above investment objective.

Rathbones had changed the benchmark against which performance is measured to a bespoke benchmark from the FTSE to the WMA balanced index; due to its volatility.

Risk

The overall investment direction is to maximise the return consistent with the risks that the Board is willing to accept. The Board recognizes that risk (i.e. the potential for variability of asset values) and the potential of loss in purchasing power (due to inflation) are present to some degree with all types of investment vehicles.

The Board has accepted a medium degree of risk.

The Trustees will tolerate volatility of the capital value, as long as the Board is able to meet its short-term expenditure commitments.

The portfolio is diversified so as to provide reasonable assurance that no single class of investment will have a disproportionate impact on the total portfolio. Assets classes could include cash, bonds, equity, property, private equity, commodities and any other asset that is deemed suitable, bearing in mind the ethical restrictions. Bonds and equities must be quoted on a recognised investment

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

exchange and unit trusts and open-ended investment companies authorised under the Financial Services and Markets Act 2000.

In order to meet its objective, the Board has determined the following range of asset splits:

Cash	0% - 7%
Fixed Interest	15% - 35%
Equities	53% - 80%

Within the equity allocation, overseas holdings are permitted up to 50%.

Asset mix may be changed from time to time, strategically or tactically, based on the economic and securities markets outlook, as well as income requirements and the Chairman and Vice Chairmen of the Board of Finance may, if considered appropriate, alter the above range of asset split to react to market forces. The overall risk level of the assets in terms of potential for price fluctuations should not be extreme.

The Investment Sub-Committee is responsible for identifying and monitoring suitable investment managers on a regular quinquennial basis. The basis of the investment managers remuneration will be that detailed at the time of their being appointed investment managers. The advisors understand that reasonable notice should be provided to the Trustees in the event of the investment managers amending its fee and commission regime.

The base currency of the investment portfolio is Sterling.

Liquidity Requirements

Investment funds are generally not disinvested, their aim is to provide income and capital growth. Money that is likely to be required at short notice is held by the investment advisers and not included in the main portfolio. The Portfolio should not hold any significant amounts in cash unless requested for a specific project.

Monies can only be incorporated into the main portfolio on 1 of January, 1 of April, 1 of July and 1 of October in any one year.

Income that has accrued in each month is to be transferred to St Davids Diocesan Board of Finance Legacies bank account within 30 days of the respective month end.

Time Horizon

The Board is expected to exist in perpetuity and investments should be managed to meet the investment objective and ensure this sustainability.

The Board has adopted a long-term investment time horizon.

Ethical Investment

As a Christian Church, the Diocese seeks to co-operate with God's active presence in the world and with proclaiming the values of the kingdom of God. This means that the Church has a particular interest in promoting all that furthers justice and peace, that enables full human flourishing, that honours creation and that builds creative human communities.

TRUSTEES' REPORT

For the Year Ended 31 December 2020

The Church in Wales wishes to have an investment policy that is ethical and consistent with the furtherance of its aims and objectives. The Board believe that it is entirely appropriate and possible to operate such a policy alongside the requirement to achieve the best returns from investments, and to use investments as an ethical means of contributing to the cost of ministry and mission in the Province.

The Trustees aim is to invest in successful companies which are committed to developing their business in the interests of their shareholders, customers, local communities and employees by operating:

- Responsible employment practices.
- Conscientious corporate governance.
- Policies and practices which demonstrate a proper regard for the environment and for the well-being of the created order.
- Policies sensitive to the human rights and well-being of individuals and communities in which they operate.
- Fair trading practices.

In its policy for investment, the Church in Wales will use its best endeavours not to be associated with companies whose products or policies conflict with these aims or to invest in companies which:

- Are responsible for the wanton despoliation of the environment.
- Are responsible for anything that threatens peace, security and communal well-being.
- Exploit, demean, corrupt or degrade humankind, especially the poor or the financially vulnerable.
- Are indifferent to the well-being of animals.

The Board recognise the complexities surrounding the activities or companies in which it may invest and reserves the right to make investment decisions on a case-by-case basis. The Board will endeavour to engage with companies which are in actual or potential breach of this policy or where concerns exist over governance and social responsibility issues before considering disinvestment.

The Church in Wales wishes to be a well informed and responsible investor, and to this end is represented on the Church Investors Group, which is a means of accessing research, obtaining reliable information, sharing best practice with other member organisations and exercising combined shareholder influence.

A valuable relationship exists between the Investment Committee and the Church in Wales Ethical Investment Group to which the Committee refers problematic cases, and from which it receives an annual report.

The Diocese of St Davids fully concurs with the policy of the Church in Wales as referred to above.

It is Board policy to not normally or knowingly to invest in any company:

TRUSTEES' REPORT

For the Year Ended 31 December 2020

- Which derives more than 20% of turnover from a primary focus on gambling, or the production or sale of alcoholic beverages or tobacco products.
- Which derives more than 5% of turnover from pornography, predatory lending activities or the proliferation of armaments beyond areas of legitimate defence and international peacekeeping.
- Which derives more than 10% of turnover from the extraction of thermal coal or the production of oil from tar sands.

Management, Reporting and Monitoring

The Board has appointed a professional investment management firm to manage the assets on a discretionary basis in line with this policy. They are required to comply with all applicable laws, rules and regulations.

The investment manager provides custody of assets. They are required to produce quarterly valuation and performance reports encompassing the following:

- A list of all investments held, together with their respective book costs, current market value and estimated income and yield.
- A performance analysis for the period covered by the report (quarterly).
- A Transaction Schedule detailing both purchases and sales.
- Details of any non-market transactions and rights issues, capitalisations or other corporate actions.
- A detailed review of the market environment for the period including specific comment on the individual holdings in the portfolio and any other economic considerations that are relevant.

The Board's Investment Sub Committee is responsible for agreeing strategy and monitoring the investment assets. The Sub Committee meets six times a year to authorise any withdrawals and incorporations and to review the Portfolio, including an analysis of return, risk and asset allocation. Performance will be monitored against agreed benchmark (Rathbones bespoke benchmark).

The investment manager is required to be present at two of the Investment Sub Committee's meetings. In addition to complying with the specific requirements detailed in the investment policy statement the investment manager must pay heed to the general power of investment embodied in Section 3 of The Trustees Act 2000. All investments should be suitable and overall constitute a degree of diversification as required by Section 4 of the Trustees Act 2000.

The Investment Sub-Committee is to report formally to the Board's Executive Committee.

PLANS FOR FUTURE PERIODS

The Board is considering the following short to medium term issues:

- **Charities Act 2011**

The Board is aware of the implications of this legislation on individual parishes and, in conjunction with the Representative Body of the Church in Wales, is advising and assisting parishes. Currently only those parishes with an income in excess of £100,000 have had to register. Parishes with an income below £100,000 continue to be excepted and do not need to register with the Charity Commission and this temporary exemption has been extended until 31 March 2021.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

- **Land Registration**

Any land identified as being held by the Board will be registered with the Land Registry as a matter of policy. The Board continues to proactively identify the basis on which it holds the land/property e.g. as custodian Trustee, whether it is subject to a reverter or owned by the Board.

- **Ministry Share**

To endeavour to contain the increases of Ministry Share to ensure that it is sustainable and collectable and to monitor the level of arrears.

- **Diocesan Strategy**

The Bishop of St Davids and the Board work together to create and implement a strategy for the Diocese which will respond to the current financial and economic challenges being faced by the Church and meet the needs of the Diocese.

- **Data Protection**

The Board continues working to identify and ensure that within the Diocese, all information/data held is in compliance with the Data Protection Act and General Data Protection Regulation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board is a registered charity and a company limited by guarantee.

- **MEMBERSHIP – COMPOSITION**

Members of the company are appointed for a three-year term. Following adoption of the revised Articles of Association, the membership of the Board consists of:

- The Bishop
- Chairman (Appointed by the Bishop)
- Eight Ex-Officio Members (the Dean, Archdeacons, Chair of Parsonage Board, Diocesan Director of Education & Diocesan Registrar)
- Six Nominated Lay members (two from each Archdeaconry)
- Three Elected Lay members (one from each Archdeaconry)
- Three Nominated Clerical Members (one from each Archdeaconry)
- Four Co-Opted Members (of which only one can be a cleric)

- **MEMBERSHIP – INDUCTION AND TRAINING**

The Board has provided training for its members appropriate to their duties both as Charity Trustees and as members of one of the Diocesan Committees and is developing a programme of continuing professional development.

- **COMMITTEES**

The St Davids Diocesan Board of Finance has the following Committees:

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

➤ **Executive Committee**

The Executive Committee is responsible for the management of the Diocesan finances and assets.

➤ **Parsonage Board**

The Parsonage Board is responsible for the maintenance of all parsonages, their upkeep and repair and for buying and selling parsonages, as appropriate.

➤ **Endowed Schools Committee**

The Endowed Schools Committee is a statutory committee and is responsible for providing financial support towards repairs and renovation projects in church schools, the direction of new projects and the management/disposal of redundant school properties.

➤ **Investment Sub-Committee**

The Investment Sub-Committee, with advice from the Board's Investment Advisers, is authorised to take all decisions necessary to manage the investments of the Board within the strategy and policies of the Board.

➤ **Ministry Share Appeals Committee**

The Ministry Share Appeals Committee is responsible for administering the "Appeals Procedure" for Ministry Share Allocation. The Committee may, at its discretion, where historic Ministry Share arrears exist, but not as a result of former appeals to the Committee or submission of incorrect statistics returned, entertain a submission to consider the historic circumstances that have given rise to the arrears.

➤ **Human Resources Sub-Committee**

The Human Resources Sub-Committee is responsible for developing policies and procedures for lay staff, in line with the current legislation and good practice. Its remit covers the consideration of staffing levels at the Diocesan Office and the salaries of lay staff.

➤ **Audit and Risk Committee**

The Audit Committee is responsible for reviewing the internal controls of the Board and reporting to the Executive Committee any matters which have been raised by/discussed with the Board's Auditors following completion of the annual audit. The Committee also regularly reviews the Board's Risk Register, as well as matters relating to compliance and governance.

➤ **Property Sub-Committee**

The Property Sub-Committee is responsible for the management of the Board's investment properties, properties held as custodian Trustee and overseeing the strategic planning of the property portfolio.

➤ **Budget Committee**

The newly formed Budget Committee is responsible for monitoring the current budget and planning for future budgets and expenditure. It looks at both the quantitative and qualitative impact of aspects of Diocesan Life – it also plans for long term budgetary requirements.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

➤ **Ministry Share Committee / Ministry Share Formula Research Group**

The Ministry Share Committee is responsible for monitoring the current levels of arrears in Ministry Share and looking at ways these can be recovered. The committee actively engages with churches through the Local Ministry Area, Stewardship and Support Officer and the relevant Archdeacon. The Ministry Share Formula Research Group is responsible for reviewing the formula.

➤ **Grants Committee**

The Grants committee oversees the Local Ministry Area Initiative Fund Grants, in line with the Diocesan Strategy for Growth, as well as small grants relating to Children and Youth work.

➤ **Crisis Management Committee (CMC)**

The Crisis Management Committee was set up in order to provide the Board with the ability to make quick decisions as a result of the Global Pandemic and deliver business continuity. It comprises the Bishop, Chair, Archdeacons and the Chairs of all Board Committees. The CMC has been given delegated powers but reports to the full Board, its terms of reference are renewed every 6 months. Initially the CMC met fortnightly but now monthly.

➤ **Centres of Mission Financial Oversight Committee (COMFOC)**

This committee was created to look at the financial impact of the Diocesan Evangelism Bid on the Board through its financial commitments. It provides audit and scrutiny reporting to the Audit & Risk Committee and the full Board.

All committee remits were reviewed and revised in November 2019. They are due to be reviewed again in 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Name	The St Davids Diocesan Board of Finance
Company Registration No	242794
Charity Registration No	231239
Registered Office	Diocesan Office Abergwili Carmarthen SA31 2JG
Telephone Number	01267 236145

• **TRUSTEES / DIRECTORS**

The Trustees/Directors of the Executive Committee of the Board who served in the year to which this report relates are:

➤ Mr N C P Griffin

Chairman

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

- | | |
|--|---------------|
| ➤ Mr N Roberts | Vice Chairman |
| ➤ Mr T J Llewelyn | Vice Chairman |
| ➤ The Right Reverend Dr J S Penberthy
The Bishop of St Davids | President |

Ex-Officio

The Very Reverend Dr S C Rowland-Jones	
The Venerable D P Davies	
The Venerable R H E Davies	(Appointed 20.06.19)
The Venerable P R Mackness	
The Venerable M A Farah	
Mr N Roberts	Chairman of the Parsonage Board
Mr A B C Davies	Diocesan Registrar
Revd J R Cecil	Diocesan Director of Education

➤ **Directors**

Mrs H Evans	
Mr N J Evans	
Mrs T Hatfield	
Mr D G Jones	
Mrs J Hayward	
Revd C C Brown	
Revd C A Mansell	(Resigned 31.08.2020)
Mr D W J Thomas	
Revd Canon Dr M A R Hill	
Mr C W M Carter, OBE	
Revd P G B Ratcliffe	

OTHER OFFICERS

- **Diocesan Secretary**
Mr H N Llewellyn

Solicitors	Carreg Law Limited 2 King Street Llandeilo SA19 6AA
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Bankers	Lloyds Bank plc 43 King Street Carmarthen SA31 1BW
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THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

Investment Advisers	Rathbones 1 Curzon Street London W1J 5FB
Auditors	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Pontprennau Cardiff CF23 8AB

KEY MANAGEMENT PERSONNEL

The key management personnel of the Board at the year-end were Mr H N Llewellyn (Diocesan Secretary), Mrs N M Evans (Finance Manager) and Miss E R O'Connor (Admin and Property Manager).

The remuneration of the key management personnel is set in line with the Pay and Grading structure adopted in 2012.

The relationship between the Board and related parties is detailed in Note 35 to the accounts.

RISK MANAGEMENT / RISK REGISTER

The Board has a risk register which identifies the major risks to which the Board is exposed; the scope of the risk; and identifies the systems and procedures which have been established to manage and mitigate those risks. This is currently under review.

The Board considers that the principal risks are the non-collection of Ministry Share; any variance in the agreed level of the Representative Body grant and a potential under-performance of the return on investments.

FUNDS HELD

The Board also holds investments and land and buildings as Custodian Trustee. The Board has commenced work to identify all those assets held as Custodian Trustee.

The Trustees have identified the risks associated with each type of asset and have put in place a series of control measures which safeguard the assets. These controls are regularly tested and updated or amended accordingly when considered necessary.

PERMANENT ENDOWMENT INVESTED ON TOTAL RETURN BASIS

Details of this Fund are included in Note 23 to the accounts.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

TRADING COMPANY

St Davids Diocesan Board of Finance has passed a resolution to set up a trading company – St Davids Diocesan Board of Finance (Property) Limited. All Trustees (directors) of the St Davids Diocesan Board of Finance will be directors of the trading company, the Property Committee will act as a management committee. The matter of drawing up a lease for the properties concerned is currently with the Board's Solicitors.

COVID-19 PANDEMIC

St Davids Diocesan Board of Finance are now working in an environment that is completely different as the COVID-19 situation continues to impact daily operations. The pandemic is likely to have a significant impact both in the short and long term for St Davids Diocesan Board of Finance. As a result of the pandemic a Crisis Management Committee (CMC) was created to deliver and ensure business continuity. The CMC currently meet fortnightly and as needed via Zoom.

The pandemic and the reaction to it has caused numerous Financial and Operational issues, including

- Disruptions to daily operations have resulted in employees working remotely from home. No employees have been furloughed under the Coronavirus Job Retention Scheme.
- The fall in the Investment Markets have a knock-on effect on investment income and the level of reserves available to the Board.
- The closure of Churches will inevitably have a knock-on effect on Ministry Share received. Churches ability to fund raise has been obliterated and their events postponed and/or donors standing orders have been cancelled. St Davids Diocesan Board of Finance accept that not just churches, but personal income is under pressure.
- The St Davids Diocesan Board of Finance continues to work through its committees through all meetings are now conducted on-line primarily through Zoom.

On the following assumptions the St Davids Diocesan Board of Finance will be solvent for a period of 6 months:

- Income from Churches dries up completely
- No financial support package from the Representative Body of the Church in Wales is received
- Investment reserves is not utilised

MANAGING FINANCIAL IMPACT GOING FORWARD

- The Representative Body of the Church in Wales had given St Davids Diocesan Board of Finance a financial support package in 2020 and this would continue through to 2021.
- During the second and third quarter of 2020 the Board decided to pass on the support package fully to the Churches within the Diocese. A reduced ministry share had been asked in quarter 1 2021. In recognition of their inability to raise funds and pay Ministry Share.
- The Diocesan Board of Finance Crisis Management Committee will recommend to the Board to adopt a reduced Ministry share for quarter 2 in 2021.
- A more forensic review of expenditure to identify areas of savings had been carried out.
- Research will be made into identifying Government schemes that could be utilised.
- Identifying to what extent should Reserves be used.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

- As part of its ongoing financial planning and budgeting the Board is constantly exploring ways to create new and alternative income generation sources.

St Davids Diocesan Board of Finance is in constant dialogue with all Key stakeholders through this pandemic. In uncertain times this is particularly important. Early conversations have been made with lenders.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of St. Davids Diocesan Board of Finance for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

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 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.
- make judgments and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for maintaining proper accounting records which 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 auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

AUDITORS

The auditors, Azets Audit Services, Chartered Accountants, have indicated that they are willing to be re-appointed at the forthcoming Annual General Meeting.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

TRUSTEES' REPORT

For the Year Ended 31 December 2020

BY ORDER OF THE BOARD



NICHOLAS GRIFFIN – CHAIRMAN

Date:

7th July 2021

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE ST DAVIDS DIOCESAN BOARD OF FINANCE

Opinion

We have audited the financial statements of The St Davids Diocesan Board of Finance (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE ST DAVIDS DIOCESAN BOARD OF FINANCE

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE ST DAVIDS DIOCESAN BOARD OF FINANCE

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement

of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Sarah Case FCA DChA, Senior Statutory Auditor
For and on behalf of Azets, Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

DATE: 5-8-2021

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31 December 2020

	Note	Unrestricted General Funds	Unrestricted Designated Funds	Restricted Income Funds	Restricted Capital Endowment Funds	Total Funds
		2020 £	2020 £	2020 £	2020 £	2020 £
INCOME AND ENDOWMENTS FROM:						
Donations and Legacies	3	5,872,709	8,576	892,513	600	6,774,398
Charitable Activities	4	19,597	-	-	-	19,597
Investments	5	125,429	62,296	233,295	82,170	503,190
Other Sources	6	9,768	-	36,228	-	45,996
TOTAL		6,027,503	70,872	1,162,036	82,770	7,343,181

		2019 £	2019 £	2019 £	2019 £	2019 £
INCOME AND ENDOWMENTS FROM:						
Donations and Legacies	3	4,438,020	12,666	724,212	8,036	5,182,934
Charitable Activities	4	18,787	40	-	-	18,827
Investments	5	157,682	92,355	264,584	79,090	593,711
Other Sources	6	54,893	-	36,091	-	90,984
TOTAL		4,669,382	105,061	1,024,887	87,126	5,886,456

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31 December 2020

	Note	Unrestricted		Restricted		Total Funds
		General Funds	Designated Funds	Income Funds	Capital Endowment Funds	
		2020 £	2020 £	2020 £	2020 £	2020 £
EXPENDITURE ON:						
Raising Funds	7	5,971	8,735	1,977	21,921	38,604
Charitable Activities						
Support for Ministry	8	3,733,972	84,336	933,219	-	4,751,527
Support for Parishes	9	2,178,976	143,843	3,474	-	2,326,293
Church Property	10	111,547	-	22,247	-	133,794
Other Financial Support	11	138,860	-	-	-	138,860
Communication	12	32,009	-	-	-	32,009
Other	13	-	10,789	-	131,392	142,181
TOTAL		6,201,335	247,703	960,917	153,313	7,563,268

		2019 £	2019 £	2019 £	2019 £	2019 £
EXPENDITURE ON:						
Raising Funds	7	6,289	9,247	1,578	24,852	41,966
Charitable Activities						
Support for Ministry	8	3,805,517	146,171	719,085	-	4,670,773
Support for Parishes	9	421,732	201,630	-	-	623,362
Church Property	10	171,978	-	469,741	-	641,719
Other Financial Support	11	149,350	-	-	-	149,350
Communication	12	48,733	-	-	-	48,733
Other	13	-	-	-	268,944	268,944
TOTAL		4,603,599	357,048	1,190,404	293,796	6,444,847

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31 December 2020

	Note	Unrestricted General Funds	Unrestricted Designated Funds	Restricted Income Funds	Restricted Capital Endowment Funds 2020	Total Funds 2020
		2020 £	2020 £	2020 £	2020 £	2020 £
NET INCOME /(EXPENDITURE) BEFORE INVESTMENT GAINS		(173,832)	(176,831)	201,119	(70,543)	(220,087)
NET (LOSSES) ON INVESTMENTS	18	(7,505)	(10,961)	(928)	(23,024)	(42,418)
NET INCOME/(EXPENDITURE)		<u>(181,337)</u>	<u>(187,792)</u>	<u>200,191</u>	<u>(93,567)</u>	<u>(262,505)</u>
TRANSFERS BETWEEN FUNDS	24/25	2,888	30,612	(25,000)	(8,500)	-
NET MOVEMENT IN FUNDS		<u>(178,449)</u>	<u>(157,180)</u>	<u>175,191</u>	<u>(102,067)</u>	<u>(262,505)</u>
Total Funds Brought Forward		5,837,367	2,552,089	1,857,444	3,963,755	14,210,655
TOTAL FUNDS CARRIED FORWARD		<u><u>5,658,918</u></u>	<u><u>2,394,909</u></u>	<u><u>2,032,635</u></u>	<u><u>3,861,688</u></u>	<u><u>13,948,150</u></u>

		2019 £	2019 £	2019 £	2019 £	2019 £
NET INCOME /(EXPENDITURE) BEFORE INVESTMENT GAINS		65,783	(251,987)	(165,517)	(206,670)	(558,391)
NET GAINS ON INVESTMENTS	18	125,724	148,094	5,995	344,038	623,851
NET INCOME/(EXPENDITURE)		<u>191,507</u>	<u>(103,893)</u>	<u>(159,522)</u>	<u>137,368</u>	<u>65,460</u>
TRANSFERS BETWEEN FUNDS	24/25	197,054	(101,133)	(88,014)	(7,907)	0
NET MOVEMENT IN FUNDS		<u>388,561</u>	<u>(205,026)</u>	<u>(247,536)</u>	<u>129,461</u>	<u>65,460</u>
Total Funds Brought Forward		5,448,806	2,757,115	2,104,980	3,834,294	14,145,195
TOTAL FUNDS CARRIED FORWARD		<u><u>5,837,367</u></u>	<u><u>2,552,089</u></u>	<u><u>1,857,444</u></u>	<u><u>3,963,755</u></u>	<u><u>14,210,655</u></u>

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

SUMMARY OF INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the Year Ended 31 December 2020

	2020 £	2019 £
Gross Income (per SOFA)	7,343,181	5,886,456
Expenditure (per SOFA)	<u>(7,563,268)</u>	<u>(6,444,847)</u>
Operating (Deficit)/Surplus For the Year	(220,087)	(558,391)
Realised Gains on Investments		
Realised gains/losses on Investments	(19,522)	153,514
Realised gains on investment properties	-	54,010
Realised gains on fixed assets	-	
	<u>(19,522)</u>	<u>207,524</u>
	(239,609)	(350,867)
Unrealised Gains on Investments		
Revaluation (Loss)/Gain on Investment Property	-	-
Unrealised Gains/(Losses) on Investments	(22,896)	416,327
Revaluation (Loss) on Fixed Assets	-	-
Valuation of Properties Introduced	-	-
	<u>(22,896)</u>	<u>416,327</u>
(DEFICIT)/SURPLUS FOR THE YEAR	<u><u>(262,505)</u></u>	<u><u>65,460</u></u>

None of the charity's activities were acquired or discontinued during the above two financial years.

A statement of financial activities is shown on pages 21 to 23 to the financial statements.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

BALANCE SHEET AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
<u>FIXED ASSETS</u>					
Tangible Assets	17	227,145		230,272	
Investments	18	8,888,056		9,049,955	
			9,115,201		9,280,227
<u>CURRENT ASSETS</u>					
Debtors	19	869,918		901,565	
Investments	20	-		-	
Cash at Bank and in Hand		5,893,696		5,797,358	
		6,763,614		6,698,923	
CREDITORS: Due Within One Year	21	(1,550,390)		(1,388,220)	
NET CURRENT ASSETS			5,213,224		5,310,703
TOTAL ASSETS LESS CURRENT LIABILITIES			14,328,425		14,590,930
CREDITORS: Due More Than One Year	22		(380,275)		(380,275)
NET ASSETS			13,948,150		14,210,655
<u>FUNDS</u>					
Restricted Capital Endowment Funds	23		3,861,688		3,963,755
Restricted Income Funds	24		2,032,635		1,857,444
Designated Funds	25		2,394,909		2,552,089
Unrestricted Funds	26				
Revaluation Reserve Fund		1,678,765		1,678,765	
General Funds		3,980,153		4,158,602	
			5,658,918		5,837,367
			13,948,150		14,210,655

The financial statements were approved by the Trustees on 7/1/2021

NICHOLAS GRIFFIN
(CHAIRMAN)

Nicholas Griffin

NIGEL ROBERTS
(DIRECTOR)

Nigel Roberts

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

CASHFLOW STATEMENT
For the Year Ended 31 December 2020

	Notes	2020	2019
	£	£	£
	28		
Net Cash provided by/(used in) operating activities		(505,705)	(477,936)
Cash flows from investing activities:			
Dividends, interest and rents from investments	503,190	593,711	
Purchase of property, plant and equipment	(3,327)	(6,543)	
Proceeds from the sale of fixed assets	-	124,011	
Proceeds from the sale of investments	672,699	1,039,728	
Purchase of investments	(690,447)	(824,050)	
Net Cash provided by/(used in) investing activities		482,115	926,857
Cashflows from financing activities:			
Receipt of endowment		600	8,036
Change in cash and cash equivalents in the reporting period		(22,990)	456,957
Cash and cash equivalents at the beginning of the reporting period	28	6,058,165	5,601,208
Cash and cash equivalents at the end of the reporting period		6,035,175	6,058,165

The notes on pages 27 to 52 form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

1 Accounting policies

Charity information

The charity is a private company limited by guarantee incorporated in England and Wales. The registered office is Diocesan Office, Abergwili, Carmarthen, Carmarthenshire, SA31 2JG.

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention with the exception of freehold properties, which are included at their fair value, and fixed asset investments, which are included at their fair value at the Balance Sheet date. The financial statements have been prepared in accordance with the charity's governing document and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity is a Public Entity as defined by FRS 102.

The accounts are prepared in Sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The principle accounting policies are as follows.

Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

INCOME

All income is included in the SOFA when the charity is legally entitled to the income, ultimate receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Ministry Share

Ministry Share is recognised as income in the year in which it is receivable.

Legacies

Legacies are accounted for when received or, if before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received and the value can be measured with sufficient reliability.

Grants Receivable

The charity receives grants from the Welsh Government towards the building costs of church schools and from the Representative Body of the Church in Wales towards the management costs of the Board of Finance. Grants are recognised in full in the SOFA in the year in which they are receivable.

Investment Income

Dividends and interest are accounted for as and when they are receivable.

INVESTMENTS

Marketable investments are shown at fair value (that is their middle market value) at the balance sheet date. The net surplus or deficit on revaluation during the year is pro-rated to the specific fund, based on the number of units, as a percentage of the total units to which the investment relates.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2020

EXPENDITURE

All expenditure is included on an accruals basis recognising when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA with the exception of support costs which comprise management and administration costs. These have been apportioned over charitable activity expenditure on the basis of costs for each category prior to the inclusion of support costs. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

TANGIBLE FIXED ASSETS

Land and Buildings

Freehold property is included at its revalued amount as the Trustees are of the opinion that this gives an accurate reflection of its fair value, as it is the Trustees' policy to ensure these properties are fully maintained.

No depreciation is provided on freehold property, as the Trustees are of the opinion that these buildings are maintained in such a state of repair that their residual value is at least equal to their fair value. As a result, the corresponding depreciation charge would not be material and therefore is not charged in the SOFA.

Leasehold premises are amortised over the term of the lease.

Reverters

Where on the disposal of properties held by the charity as custodian Trustee, reverters exist, the proceeds of disposal, net of all costs and taxation, are remitted to the revertee. Investigation into the reverter status is made as and when such properties are returned to the custodian Trustee.

Heritage Assets

The Board holds land and buildings as custodian Trustee and derives no financial benefit from these assets unless or until disposed of. Other properties held by the Board, which consist of church and school properties, are classified by the Trustees as heritage assets under the terms of SORP 2015.

Following the publication of SORP 2015 – section 18 – Heritage Assets, the Executive Committee of the St Davids Diocesan Board of Finance has reconsidered the nature of its heritage assets.

Many of these properties were acquired without cost as a result of bequests or transfers and the Executive Committee does not consider it practical or appropriate to attribute any value to them in view of the significant costs involved in the reconstruction or analysis of past accounting records and the onerous nature of the valuations compared with the additional benefit derived by users of the accounts.

Expenditure which, in the Executive Committee's view, is required to prevent deterioration of these assets is recognised in the Statement of Financial Activities when it is incurred.

Office Furniture and Equipment

Office furniture and equipment is stated at cost less depreciation. Depreciation is provided at a rate calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives at 10% - 33⅓% straight line.

From 1 January 2010 it has been agreed that office furniture and equipment costing less than £1,000 will be written off in the year of purchase.

Holiday Lets Furnishings and Fittings

Furnishings and Fittings are stated at cost less depreciation. Depreciation is provided at a rate calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives at 10% - 33⅓% straight line.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2020

PENSIONS

The Charity operates a defined contribution scheme for its employees.

The funds of the defined contribution scheme are held in funds separate to those of the charity in independently administered funds. The pension cost charge represents the amounts payable by the charity to the funds in respect of the year.

EMPLOYEE BENEFITS

The cost of any unused holiday entitlement is recognised in the period in which the employee's service are received. Termination benefits are recognised immediately as an expense when St Davids Diocesan Board of Finance is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

BAD DEBTS

A general provision is made for bad debts if recoverable amounts are deemed irrecoverable.

FUND ACCOUNTING

Funds held by the charity are:

Unrestricted General Funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated Funds – these are funds which have been transferred from the Unrestricted General Funds to be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted Income Funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Restricted Capital Endowment Funds – these are funds which have been entailed over many years and relate in the main to funds held on behalf of parishes. Investment returns are released to the parishes, where applicable. When returns are not released, they are retained by the Board within this Fund. Any capital gains or losses arising on the investments form part of that fund. Investment management charges relating to the fund are charged against the fund.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Financial Instruments

Financial assets and financial liabilities are recognised when the Board becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at transaction price (including transaction costs). The Board only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

For the Year Ended 31 December 2020

Notes	Unrestricted		Restricted		Total Funds
	General Funds	Designated Fund	Income Funds	Capital Endowment Funds	
3 Donations and Legacies	2020	2020	2020	2020	2020
	£	£	£	£	£
Ministry Share	3,763,471	-	-	-	3,763,471
RB: Block Grant	715,997	-	426,195	-	1,142,192
RB: Additional Support	1,374,728	-	-	-	1,374,728
RB : Improvement Fund	-	-	267,112	-	267,112
RB : Evangelism Fund Grant	-	-	171,329	-	171,329
Grants	18,333	-	21,624	-	39,957
Legacies	-	8,576	-	600	9,176
Donations	180	-	6,253	-	6,433
Contributions	-	-	-	-	-
	5,872,709	8,576	892,513	600	6,774,398

In 2020 £12,124 (2019: £12,124) was received as a grant from the Allchurches Trust Limited.

3 Donations and Legacies	2019	2019	2019	2019	2019
	£	£	£	£	£
Ministry Share	3,567,932	-	-	-	3,567,932
RB: Block Grant	751,024	-	391,167	-	1,142,191
RB : Improvement Fund	-	-	224,851	-	224,851
Grants	8,333	12,276	33,624	-	54,233
Legacies	110,000	-	74,240	8,036	192,276
Donations	731	390	330	-	1,451
Contributions	-	-	-	-	-
	4,438,020	12,666	724,212	8,036	5,182,934

4 Charitable Activities	2020	2020	2020	2020	2020
	£	£	£	£	£
Chaplaincy Fees	19,597	-	-	-	19,597
Fundraising	-	-	-	-	-
	19,597	-	-	-	19,597

4 Charitable Activities	2019	2019	2019	2019	2019
	£	£	£	£	£
Chaplaincy Fees	18,787	-	-	-	18,787
Sale of Publications	-	40	-	-	40
	18,787	40	-	-	18,827

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

Notes	Unrestricted		Restricted		Total Funds
	General Funds	Designated Fund	Income Funds	Capital Endowment Funds	
5 Investments	2020	2020	2020	2020	2020
	£	£	£	£	£
Rents Received	91,229	-	20,105	-	111,334
RB Common Investment Fund	74	-	-	-	74
DBF Common Investment Fund	23,623	40,654	2,941	80,915	148,133
Rents Received: Parsonage Board	-	-	200,514	-	200,514
Interest	10,503	2,990	9,735	1,255	24,483
Realisation of Trusts	-	18,652	-	-	18,652
	125,429	62,296	233,295	82,170	503,190

5 Investments	2019	2019	2019	2019	2019
	£	£	£	£	£
Rents Received	109,169	-	19,938	-	129,107
RB Common Investment Fund	94	-	-	-	94
DBF Common Investment Fund	30,846	53,493	33,692	76,087	194,117
Rents Received: Parsonage Board	-	-	188,564	-	188,564
Interest	17,573	8,262	22,390	3,003	51,228
Realisation of Trusts	-	30,601	-	-	30,601
	157,682	61,754	264,584	79,090	593,711

6 Other Sources	2020	2020	2020	2020	2020
	£	£	£	£	£
Contribution:Housing Association	6,340	-	-	-	6,340
Proceeds from the sale of assets	-	-	-	-	-
Administration Fee: Sale of Property	-	-	-	-	-
Marriage Licences	2,130	-	-	-	2,130
Church Repair Grant	-	-	36,000	-	36,000
Sundry Income	1,298	-	228	-	1,526
	9,768	-	36,228	-	45,996

6 Other Sources	2019	2019	2019	2019	2019
	£	£	£	£	£
Contribution:Housing Association	6,210	-	-	-	6,210
Proceeds from the sale of assets	22,365	-	-	-	22,365
Administration Fee: Sale of Property	24,750	-	-	-	24,750
Marriage Licences	1,320	-	-	-	1,320
Church Repair Grant	-	-	36,000	-	36,000
Sundry Income	249	-	91	-	340
	54,893	-	36,091	-	90,984

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

For the Year Ended 31 December 2020

Notes	Unrestricted		Restricted		Total Funds
	General Funds	Designated Fund	Income Funds	Capital Endowment Funds	
	2020 £	2020 £	2020 £	2020 £	2020 £
7 Raising Funds	5,971	8,735	1,977	21,921	38,604
7 Raising Funds	2019 £	2019 £	2019 £	2019 £	2019 £
	6,289	9,247	1,578	24,852	41,966
8 Support for Ministry	2020 £	2020 £	2020 £	2020 £	2020 £
Stipends, Fees & Pensions					
Stipends	2,363,871	42,953	-	-	2,406,824
Pension-Employers Contribution	767,740	14,164	-	-	781,904
Vacancy Fees	6,710	-	-	-	6,710
Sundry	-	-	-	-	-
Property					
Council Tax	178,067	-	-	-	178,067
Parsonage Board	-	-	849,046	-	849,046
Insurance on Parsonages	21,585	-	-	-	21,585
Sundry	5,535	-	-	-	5,535
Evangelism Bid - Centre of Mission	13,847	20,344	84,173	-	118,364
Clergy Expenses					
Clergy/Chaplains Expenses	2,169	-	-	-	2,169
Removal/Disturbance Allowance	30,059	-	-	-	30,059
Archdeacons and Area Deans	6,245	2,736	-	-	8,981
Recruitment Costs	997	-	-	-	997
Training					
Ordinands/NSM	27,139	4,139	-	-	31,278
Lay Training	526	-	-	-	526
CMD/Vocations Advisers	735	-	-	-	735
Spiritual Directors	-	-	-	-	-
Support Costs (Direct)	4,507	-	-	-	4,507
Support Cost Allocation	304,240	-	-	-	304,240
	3,733,972	84,336	933,219	-	4,751,527

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

Notes	Unrestricted		Restricted		Total Funds
	General Funds	Designated Fund	Income Funds	Capital Endowment Funds	
8 Support for Ministry	2019 £	2019 £	2019 £	2019 £	2019 £
Stipends, Fees & Pensions					
Stipends	2,276,883	42,068	-	-	2,318,951
Pension-Employers Contribution	774,672	14,747	-	-	789,419
Vacancy Fees	37,319	-	-	-	37,319
Sundry	3,105	-	-	-	3,105
Property					
Council Tax	164,847	-	-	-	164,847
Parsonage Board	-	-	719,085	-	719,085
Insurance on Parsonages	20,067	-	-	-	20,067
Centre of Mission	-	80,941	-	-	80,941
Clergy Expenses					
Clergy/Chaplains Expenses	7,684	-	-	-	7,684
Removal/Disturbance Allowance	50,242	-	-	-	50,242
Archdeacons and Area Deans	17,744	8,415	-	-	26,159
Recruitment Costs	3,572	-	-	-	3,572
Training					
Ordinands/NSM	48,377	-	-	-	48,377
Lay Training	3,560	-	-	-	3,560
CMD/Vocations Advisers	12,351	-	-	-	12,351
Spiritual Directors	-	-	-	-	-
Support Costs (Direct)	6,213	-	-	-	6,213
Support Cost Allocation	378,881	-	-	-	378,881
	3,805,517	-	719,085	-	4,670,773

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

Notes	Unrestricted		Restricted		Total Funds
	General Funds	Designated Fund	Income Funds	Capital Endowment Funds	
9 Support for Parishes	2020	2020	2020	2020	2020
	£	£	£	£	£
Sector Ministry Costs	1,488	1,640	-	-	3,128
Safeguarding	319	-	-	-	319
Local Ministry Area Initiative Grants	-	2,984	-	-	2,984
Grants to Parishes	-	22,087	3,474	-	25,561
Legal and Professional Fees	516	-	-	-	516
Diocesan Strategy	-	32,775	-	-	32,775
Children and Youth	-	81,209	-	-	81,209
Funding and Parish Support	2,027,164	-	-	-	2,027,164
Support costs (Direct)	638	3,148	-	-	3,786
Support cost allocation	148,851	-	-	-	148,851
	2,178,976	143,843	3,474	-	2,326,293

9 Support for Parishes	2019	2019	2019	2019	2019
	£	£	£	£	£
Sector Ministry Costs	10,223	6,646	-	-	16,869
Safeguarding	709	-	-	-	709
Local Ministry Area Initiative Grants	-	21,841	-	-	21,841
Grants to Parishes	160,868	21,882	-	-	182,750
Legal and Professional Fees	7,064	-	-	-	7,064
Diocesan Strategy	-	43,249	-	-	43,249
Children and Youth	-	105,679	-	-	105,679
Funding and Parish Support	192,425	-	-	-	192,425
Support costs (Direct)	-	2,333	-	-	2,333
Support cost allocation	50,443	-	-	-	50,443
	421,732	201,630	-	-	623,362

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

For the Year Ended 31 December 2020

Notes	Unrestricted		Restricted		Total Funds
	General Funds	Designated Fund	Income Funds	Capital Endowment Funds	
10 Church Property	2020	2020	2020	2020	2020
	£	£	£	£	£
Custodian Expenses	1,080	-	-	-	1,080
Quinquennial Inspections	45,880	-	-	-	45,880
Diocesan Advisory Committee	17,737	-	-	-	17,737
Investment Property:					
Maintenance Expenses	12,710	-	-	-	12,710
Insurance Premiums	5,993	-	-	-	5,993
Legal & Professional Fees	19,532	-	-	-	19,532
Other Buildings: Repairs/Insurance	-	-	-	-	-
Church Schools (Open and Closed)	-	-	22,247	-	22,247
3-16 VA School in St Davids	-	-	-	-	-
Support Costs (Direct)	43	-	-	-	43
Support cost allocation	8,572	-	-	-	8,572
	111,547	-	22,247	-	133,794

10 Church Property	2019	2019	2019	2019	2019
	£	£	£	£	£
Custodian Expenses	558	-	-	-	558
Quinquennial Inspections	41,850	-	-	-	41,850
Diocesan Advisory Committee	18,351	-	-	-	18,351
Investment Property:					
Maintenance Expenses	21,771	-	-	-	21,771
Insurance Premiums	5,113	-	-	-	5,113
Legal & Professional Fees	31,900	-	-	-	31,900
Other Buildings: Repairs/Insurance	-	-	-	-	-
Church Schools (Open and Closed)	-	-	84,741	-	84,741
3-16 VA School in St Davids	-	-	385,000	-	385,000
Support Costs (Direct)	339	-	-	-	339
Support cost allocation	52,096	-	-	-	52,096
	171,978	-	469,741	-	641,719

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

For the Year Ended 31 December 2020

Notes	Unrestricted		Restricted		Total Funds
	General Funds	Designated Fund	Income Funds	Capital Endowment Funds	
11 Other Financial Support	2020	2020	2020	2020	2020
	£	£	£	£	£
Grants: Church in Wales Bodies	104,792	-	-	-	104,792
Grants: Anglican/Ecumenical/Other	500	-	-	-	500
Other Grants	24,200	-	-	-	24,200
Support Costs (Direct)	500	-	-	-	500
Support cost allocation	8,868	-	-	-	8,868
	138,860	-	-	-	138,860
11 Other Financial Support	2019	2019	2019	2019	2019
	£	£	£	£	£
Grants: Church in Wales Bodies	108,990	-	-	-	108,990
Grants: Anglican/Ecumenical/Other	500	-	-	-	500
Other Grants	27,500	-	-	-	27,500
Support Costs (Direct)	250	-	-	-	250
Support cost allocation	12,111	-	-	-	12,111
	149,350	-	-	-	149,350
12 Communication	2020	2020	2020	2020	2020
	£	£	£	£	£
Newsletters/Diocesan Publications	6,369	-	-	-	6,369
Year Book	-	-	-	-	-
Pembrokeshire Show	-	-	-	-	-
Support Costs (Direct)	25,204	-	-	-	25,204
Support cost allocation	436	-	-	-	436
	32,009	-	-	-	32,009
12 Communication	2019	2019	2019	2019	2019
	£	£	£	£	£
Newsletters/Diocesan Publications	14,975	-	-	-	14,975
Year Book	-	-	-	-	-
Pembrokeshire Show	3,635	-	-	-	3,635
Support Costs (Direct)	28,478	-	-	-	28,478
Support cost allocation	1,645	-	-	-	1,645
	48,733	-	-	-	48,733

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

Notes	Unrestricted		Restricted		Total Funds
	General Funds	Designated Fund	Income Funds	Capital Endowment Funds	
13 Other	2020 £	2020 £	2020 £	2020 £	2020 £
Payment of Trust Income	-	-	-	59,629	59,629
Realisation of Trust Capital	-	10,789	-	-	10,789
Payment of Legacies	-	-	-	71,763	71,763
	-	10,789	-	131,392	142,181

13 Other	2019 £	2019 £	2019 £	2019 £	2019 £
Payment of Trust Income	-	-	-	80,136	80,136
Realisation of Trust Capital	-	-	-	-	-
Payment of Legacies	-	-	-	188,808	188,808
	-	-	-	268,944	268,944

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

For the Year Ended 31 December 2020

14 FUNDING AND PARISH SUPPORT	2020	2019
	£	£
Prompt Payment Discount	-	15,342
Increase in Unpaid Ministry Share Provision	100,000	177,083
Ministry Share not requested	1,880,735	-
Ministry Share Write Off	46,429	-
	<u>2,027,164</u>	<u>192,425</u>
15 SUPPORT COSTS	2020	2019
	£	£
Salaries and Related Payments	337,286	307,266
Travelling Expenses	3,328	5,557
Expenses Staff Members	674	4,142
Office Cleaning	1,236	3,355
Heating and Lighting	7,042	7,140
Telephone	4,653	4,241
Printing, Stationery and Office Sundries	2,452	6,690
Postage	1,886	3,665
Ground Rent of Offices	18,000	18,000
Water Rates	1,315	1,151
Office Security	-	-
Insurances (including Trustees Indemnity Insurance)	11,114	11,129
Depreciation	6,457	16,259
Repairs and Renewals	3,559	3,414
Legal and Professional	4,485	15,840
Audit Fee	17,325	12,055
Training Courses	1,887	2,417
Bank Charges and Interest	316	273
Miscellaneous	6,013	4,410
Diocesan and Archdeacons Registrars Expenses	25,806	28,485
Computer Software and Support	5,803	6,696
Office Equipment	7,593	9,771
Grantfinder	1,292	1,224
Governing Body Meeting Expenses	1,024	16,904
Translation Fees	272	94
Diocesan Conference	144	4,974
Other Sundry Expenses	4	23
Medical Fees	-	-
Contribution to Support Costs from Restricted Funds	(68,500)	(60,365)
	<u>402,466</u>	<u>434,811</u>
Governance costs included within the above support costs	<u>44,299</u>	<u>62,418</u>

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

For the Year Ended 31 December 2020

16 MINISTRY SHARE RECEIVABLE

	Opening Balance 1 January 2020 £	Ministry Share 2020 £	Paid 2020 £	Closing Balance 31 December 2020 £	Ministry Share 2019 £
ST DAVIDS ARCHDEACONRY					
Dewisland & Fishguard Deanery	150,176	264,225	(376,122)	38,279	267,837
Daugleddau Deanery	55,356	210,737	(249,071)	17,022	218,490
Pembroke Deanery	121,955	580,759	(617,035)	85,679	518,925
Roose Deanery	31,923	336,620	(349,673)	18,870	316,123
TOTAL	359,410	1,392,341	(1,591,901)	159,850	1,321,375
CARDIGAN ARCHDEACONRY					
Emlyn Deanery	5,015	116,209	(116,027)	5,197	103,480
Glyn Aeron Deanery	20,070	211,087	(211,277)	19,880	196,011
Cemaes & Sub Aeron Deanery	11,525	201,153	(203,004)	9,674	174,975
Lampeter & Ultra Aeron Deanery	13,908	149,084	(165,621)	(2,629)	142,483
Llanbadarn Fawr Deanery	2,745	451,316	(442,593)	11,468	427,266
TOTAL	53,263	1,128,849	(1,138,522)	43,590	1,044,215
CARMARTHEN ARCHDEACONRY					
Carmarthen Deanery	34,384	413,071	(427,368)	20,087	406,473
Dyffryn Aman Deanery	22,510	194,695	(206,189)	11,016	193,030
Kidwelly Deanery	79,255	390,078	(429,171)	40,162	360,764
Llandeilo & Llandovery Deanery	3,268	255,494	(277,512)	(18,750)	241,075
TOTAL	139,417	1,253,338	(1,340,240)	52,515	1,201,342
ARCHDEACONRY TOTALS					
ST DAVIDS ARCHDEACONRY	359,410	1,392,341	(1,591,901)	159,850	1,321,375
CARDIGAN ARCHDEACONRY	53,263	1,128,849	(1,138,522)	43,590	1,044,215
CARMARTHEN ARCHDEACONRY	139,417	1,253,338	(1,340,240)	52,515	1,201,342
DIOCESAN TOTAL	552,090	3,774,528	(4,070,663)	255,955	3,566,932

Opening and closing balances include amounts received in advance. Paid amounts represent cash received and discounts allowed.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

16 MINISTRY SHARE RECEIVABLE (Cont'd)

	Opening Balance 1 January 2019 £	Ministry Share 2019 £	Paid 2019 £	Closing Balance 31 December 2019 £	Ministry Share 2018 £
ST DAVIDS ARCHDEACONRY					
Dewisland & Fishguard Deanery	32,329	267,837	(149,990)	150,176	254,199
Daugleddau Deanery	30,488	218,490	(193,622)	55,356	215,301
Pembroke Deanery	130,266	518,925	(527,236)	121,955	505,930
Roose Deanery	40,575	316,123	(324,775)	31,923	298,046
TOTAL	233,658	1,321,375	(1,195,623)	359,410	1,273,476
CARDIGAN ARCHDEACONRY					
Emlyn Deanery	(179)	103,480	(98,286)	5,015	101,639
Glyn Aeron Deanery	25,502	196,011	(201,443)	20,070	197,637
Cemaes & Sub Aeron Deanery	7,508	174,975	(170,958)	11,525	166,535
Lampeter & Ultra Aeron Deanery	23,953	142,483	(152,528)	13,908	132,696
Llanbadarn Fawr Deanery	14,447	427,266	(438,968)	2,745	435,908
TOTAL	71,231	1,044,215	(1,062,183)	53,263	1,034,415
CARMARTHEN ARCHDEACONRY					
Carmarthen Deanery	29,956	406,473	(402,045)	34,384	404,218
Dyffryn Aman Deanery	(2,278)	193,030	(168,242)	22,510	192,278
Kidwelly Deanery	49,223	360,764	(330,732)	79,255	346,987
Llandeilo & Llandovery Deanery	42,294	241,075	(280,101)	3,268	243,619
TOTAL	119,195	1,201,342	(1,181,120)	139,417	1,187,102
ARCHDEACONRY TOTALS					
ST DAVIDS ARCHDEACONRY	233,658	1,321,375	(1,195,623)	359,410	1,273,476
CARDIGAN ARCHDEACONRY	71,231	1,044,215	(1,062,183)	53,262	1,034,415
CARMARTHEN ARCHDEACONRY	119,195	1,201,342	(1,181,120)	139,416	1,187,102
DIOCESAN TOTAL	424,084	3,566,932	(3,438,926)	552,090	3,494,993

Opening and closing balances include amounts received in advance. Paid amounts represent cash received and discounts allowed.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

17 TANGIBLE ASSETS

	Freehold Property Restricted	Leasehold Premises (More Than 50 Years)	Office Equipment/ Furniture & Fittings	Total
	£	£	£	£
FAIR VALUE				
At 1 January 2020	164,500	94,418	116,729	375,647
Additions	-	-	3,327	3,327
At 31 December 2020	<u>164,500</u>	<u>94,418</u>	<u>120,056</u>	<u>378,974</u>

DEPRECIATION

At 1 January 2020	-	35,447	109,928	145,375
Charge for Year	-	1,145	5,309	6,454
At 31 December 2020	<u>-</u>	<u>36,592</u>	<u>115,237</u>	<u>151,829</u>

FAIR VALUE

At 31 December 2020	<u>164,500</u>	<u>57,826</u>	<u>4,819</u>	<u>227,145</u>
At 1 January 2020	<u>164,500</u>	<u>58,971</u>	<u>6,801</u>	<u>230,272</u>

No depreciation is provided in freehold property as the Trustees are of the opinion that these buildings are maintained in such a state of repair that their residual value is at least equal to their fair value. As a result the corresponding depreciation charge would not be material and therefore is not charged to the SOFA.

A valuation of the freehold property was undertaken at 31 December 2017, in accordance with the requirements of FRS102 and the fair value was adjusted to reflect the valuations.

Fair Value is Represented by:

	Freehold Property Unrestricted	Freehold Property Restricted	Leasehold Premises (More Than 50 Years)	Office Equipment/ Furniture & Fittings	Total
	£	£	£	£	£
Cost/Valuation	-	164,500	94,418	120,056	378,974
	<u>-</u>	<u>164,500</u>	<u>94,418</u>	<u>120,056</u>	<u>378,974</u>

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

17 TANGIBLE ASSETS (Cont'd)

FREEHOLD PROPERTY VALUATION

Numerous properties are registered with the Land Registry in the name of the Board. Exact ownership of some of these properties and any trustee status has, to date, been investigated on a case-by-case basis, with the Charity Commission and/or the Welsh Government.

In 2014 the Board awarded a contract to seek to ascertain the ownership of those properties with the intention of including those identified as being owned by the Board in its financial accounts. This work was completed in 2016. There is still additional work to be undertaken to ascertain the ownership of several properties. No value has been placed on properties which are either subject to a reverter or where it has not been possible to ascertain its status.

The freehold property relates to properties owned by the Endowed Schools Fund and includes one property which is leased and four former schools which are either used as church halls or a Community Association.

The leased property was valued at 31 December 2016 by an independent valuer, while the other four properties have been valued by Directors/Trustees.

LEASEHOLD PREMISES

The leasehold was taken out on 10 September 1973 for a period of 99 years and any improvements are written off over the unexpired period of the lease.

Following the renovation works on the Diocesan Office, which were completed late 2011, a new lease was to be re-drafted. Negotiations are still ongoing whether to purchase the property.

HERITAGE ASSETS

The Board holds land and buildings as Custodian Trustee which the Charities SORP 2015 (FRS 102) classed as inalienable assets.

The land and buildings are primarily used as schools and church halls. Due to the nature of the assets the Trustees of the Board are of the opinion that they fall within the scope of heritage assets given in the Charities SORP 2015 (FRS 102).

The age of the buildings vary significantly but the Board became Custodian Trustee of the majority of the properties between 1944 and 1947.

18 INVESTMENTS

	2020		2019	
	Market Value	Cost	Market Value	Cost
	£	£	£	£
Restricted Capital Endowment Fund	3,617,911	3,151,596	3,734,183	3,151,254
Restricted Income Funds:				
Diocesan Ordinands Fund	86,074	69,114	87,153	68,843
Endowed Schools Fund	46,861	37,627	47,448	37,480
	132,935	106,741	134,600	106,323
Designated Funds:				
M H Jones Olszwelski	1,570,676	1,261,191	1,601,161	1,264,780
Unrestricted General Fund	1,075,534	863,612	1,089,010	860,225
	6,397,056	5,383,140	6,558,955	5,382,582

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

18 INVESTMENTS (Cont'd)

The above investments can also be analysed as follows:

	2020	2019
Listed Investments	5,091,150	5,212,392
Government Securities and Fixed Interest	1,164,427	1,085,756
Cash Held on Deposit	141,479	260,807
	<u>6,397,056</u>	<u>6,558,955</u>

	2020	2019
	Fair Value	Fair Value
	£	£
Investment Properties - Unrestricted Funds	<u>2,491,000</u>	<u>2,491,000</u>

	Investments	Investment Properties	Total Investments
	£	£	£
At 1 January	6,558,955	2,491,000	9,049,955
Additions	690,447	-	690,447
Disposals	(672,699)	-	(672,699)
Realisation of Trust Capital	(30,601)	-	(30,601)
Realised Gains/(Losses)	(19,522)	-	(19,522)
Equilibrium adjustment	32,838	-	32,838
Unrealised Gains/(Losses)	(40,670)	-	(40,670)
Cash movement	(121,692)	-	(121,692)
At 31 December	<u>6,397,056</u>	<u>2,491,000</u>	<u>8,888,056</u>

The freehold investment properties of the Board have been valued at fair value for investment purposes at £2,561,000 by a qualified independent valuer at 31 December 2017 and show a surplus of £1,678,765 over the cost. Four of the investment properties are leased. The land pertaining to two other properties are also leased.

Two properties valued at £195,000 have been included in the accounts for 2017 having been identified as being owned by the Board.

The conversion of the farmhouse, one of the Board's investment properties, into two holiday lets was completed in September 2016 and are now actively being marketed.

Realised gains or losses arising from disposal of investments are included in the SOFA under the relevant funds.

The market value of investments has been taken at 31 December 2020 and includes all monies on deposit at cost.

In accordance with the Charities SORP 2015 the figures in the accounts are the market value of the investments.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

19 DEBTORS	2020	2019
	£	£
Loans	403,464	403,421
Ministry Share Receivable from Benefices (Less Provision)	251,881	202,088
Sundry Debtors and Prepayments	214,573	296,056
	<u>869,918</u>	<u>901,565</u>

LOANS AS AT 31 DECEMBER 2020

	Balance 1 January 2020 £	Advance 2020 £	Interest 2020 £	Repaid 2020 £	Balance 31 December 2020 £
Diocesan Loans:					
St Davids Diocesan Housing Assn	-	-	-	-	-
Other Loans	-	-	-	-	-
Retired Clergy 1.5% Housing Loans	23,146	-	282	(239)	23,189
	<u>23,146</u>	<u>-</u>	<u>282</u>	<u>(239)</u>	<u>23,189</u>
Provincial Housing Loans:					
Equity Linked	380,275	-	-	-	380,275
	<u>380,275</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>380,275</u>
Totals	<u>403,421</u>	<u>-</u>	<u>282</u>	<u>(239)</u>	<u>403,464</u>

Provincial and Clergy Housing Loans are repayable on death or sale of property

20 CURRENT ASSET INVESTMENTS	2020	2019
	£	£
Short Term Deposits	<u>-</u>	<u>-</u>

21 CREDITORS DUE WITHIN ONE YEAR	2020	2019
	£	£
Other Creditors	814,877	846,462
Ministry Share Received in Advance	99,311	-
Restricted Funds Creditors	636,202	541,758
	<u>1,550,390</u>	<u>1,388,220</u>

22 CREDITORS DUE MORE THAN ONE YEAR	2020	2019
	£	£
Due to the Representative Body of The Church in Wales	<u>380,275</u>	<u>380,275</u>

Provincial Housing Loans are repayable on death or sale of property

Amounts due to the Representative Body of The Church in Wales have no specific repayment terms. However, repayment is immediate on death or sale of property.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

For the Year Ended 31 December 2020

23 RESTRICTED CAPITAL ENDOWMENT FUND	2020	2019
	£	£
Balance as at 1 January	3,963,755	3,834,294
(Deficit) for the Year	(41,875)	(214,577)
Net Gain/(Loss) on Investments	(60,192)	344,038
Balance as at 31 December	<u>3,861,688</u>	<u>3,963,755</u>
Represented by:		
Capital	3,151,596	3,151,254
Income	243,778	229,573
Unrealised Profit (Market Value less Cost)	466,314	582,928
	<u>3,861,688</u>	<u>3,963,755</u>

Endowment funds have been entailed over many years and relate in the main to funds held on behalf of parishes.

Investment returns are released to the parishes, where applicable. When returns are not released, they are retained by the Board within this Fund.

The Trustees have reference to legal advice provided by Carreg Law, solicitors; one of the Board's legal advisers.

	2020	2019
	£	£
At 1 January	3,963,755	3,834,294
Capital Introduced	600	8,036
Trust Income Received	148,133	76,087
Realisation of Trusts	-	-
Payment of Trust Income to Parishes etc.	(59,629)	(80,136)
Capital Withdrawn	(82,553)	(188,808)
Realised Gains	(19,522)	108,799
Unrealised Gains/ (Losses)	(40,670)	238,476
Investment Managers and Administration Fees	(48,426)	(32,993)
	<u>3,861,688</u>	<u>3,963,755</u>

24 RESTRICTED INCOME FUNDS

The Restricted Income Funds are restricted funds and are used for the following purposes:

Diocesan Ordinands Fund - For training for the Ministry in the Church in Wales

Church Insurance Contingency Fund - Additional contributions from parishes to provide a working fund to ensure the block insurance is paid on time

Diocesan Endowed Schools Fund - For the erection, construction and/or repairs to Church Schools in the Diocese

Spirituality Fund - For specific missionary purposes including the payment for retreat and quiet days

Community Project Fund - For financing community projects including the building of community centres

Parsonage Board Fund - For the repair, maintenance and refurbishment of parsonages. Financed by the Diocesan Board of Finance and the Representative Body of the Church in Wales

Church Repair Grants - For church repair and improvement grants.

Evangelism Fund - For three sub-projects in different areas to engage with people who have not been baptised to a living Christian faith. Mostly funded from The Representative Body evangelism fund grant.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

24 RESTRICTED INCOME FUNDS (Cont'd)

	1 January 2020 £	Income £	Transfers £	Expenditure £	31 December 2020 £
Diocesan Ordinands Fund	90,674	1,984	(5,000)	(1,078)	86,580
Diocesan Endowed Schools Fund	837,292	23,642	(30,000)	(24,074)	806,860
Spirituality Fund	73,911	17,176	-	-	91,087
Community Project Fund	5,568	-	-	-	5,568
Parsonage Board Fund	754,953	905,496	(30,000)	(849,046)	781,403
Church Insurance Contingency Fund	59,046	236	-	(474)	58,808
Church Repair Grant	36,000	36,000	-	(3,000)	69,000
Evangelism Fund	-	177,502	40,000	(84,173)	133,329
	<u>1,857,444</u>	<u>1,162,036</u>	<u>(25,000)</u>	<u>(961,845)</u>	<u>2,032,635</u>

	1 January 2019 £	Income £	Transfers £	Expenditure £	31 December 2019 £
Diocesan Ordinands Fund	18,012	108,525	(35,791)	(72)	90,674
Diocesan Endowed Schools Fund	1,300,716	33,679	(25,856)	(471,247)	837,292
Spirituality Fund	59,678	14,233	-	-	73,911
Community Project Fund	5,568	-	-	-	5,568
Parsonage Board Fund	662,427	837,978	(26,367)	(719,085)	754,953
Church Insurance Contingency Fund	58,579	467	-	-	59,046
Church Repair Grant	-	36,000	-	-	36,000
	<u>2,104,980</u>	<u>1,030,882</u>	<u>(88,014)</u>	<u>(1,190,404)</u>	<u>1,857,444</u>

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

25 **DESIGNATED FUNDS**

The Designated Funds are used for the following:

Redundant Churches Fund - To assist with the financial consequences of church closure

Bishop's Strategy for Ministry Fund - For new Mission and Ministry in the Diocese

Penlan Farm Fund - For Renovation/Restoration work

M H Jones-Olszewski Fund - A memorial fund for the maintenance of mission and ministry

Children & Youth Mission Work Fund - To fund Children and Youth Mission and Outreach initiatives.

Pensions & Assistance Fund - To provide additional grants to Widows, Orphans and Dependants

Safeguarding Fund- To assist with costs incurred in the event of an investigation.

Fundraising - Chairman's fundraising fund

	1 January 2020 £	Income £	Transfers £	Expenditure £	31 December 2020 £
Redundant Churches Fund	22,516	71	-	-	22,587
Bishop's Strategy for Ministry Fund	397,011	9,989	155,243	(77,002)	485,241
Penlan Farm Fund	52,059	163	-	-	52,222
M H Jones-Olszewski Fund	1,766,000	35,208	(34,765)	(52,572)	1,713,871
Children & Youth Mission Work Fund	270,499	763	(65,244)	(129,090)	76,928
Pensions & Assistance Fund	3,327	24,550	(24,622)	-	3,255
Safeguarding Fund	40,637	128	-	-	40,765
Fundraising	40	-	-	-	40
	<u>2,552,089</u>	<u>70,872</u>	<u>30,612</u>	<u>(258,664)</u>	<u>2,394,909</u>

	1 January 2019 £	Income £	Transfers £	Expenditure £	31 December 2019 £
Redundant Churches Fund	22,377	139	-	-	22,516
Bishop's Strategy for Ministry Fund	507,791	16,124	-	(126,904)	397,011
Penlan Farm Fund	51,652	407	-	-	52,059
M H Jones-Olszewski Fund	1,664,988	205,307	(73,165)	(31,130)	1,766,000
Children & Youth Mission Work Fund	466,664	2,849	-	(199,014)	270,499
Pensions & Assistance Fund	3,255	28,040	(27,968)	-	3,327
Safeguarding Fund	40,388	249	-	-	40,637
Fundraising	-	40	-	-	40
	<u>2,757,115</u>	<u>253,156</u>	<u>(101,133)</u>	<u>(357,048)</u>	<u>2,552,089</u>

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

26 GENERAL PURPOSES FUND

	2020 £	2019 £
Balance as at 1 January	5,837,367	5,448,806
Surplus/(Deficit) for the Year	(173,832)	65,783
Net (Loss)/Gain on Investments	(7,505)	125,724
Transfer between funds	2,888	197,054
Balance as at 31 December	<u>5,658,918</u>	<u>5,837,367</u>

27 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Restricted Capital Endowment Funds £	Total Funds £
Fund Balances at 31 December 2020 are represented by:					
Tangible Fixed Assets	62,645	-	164,500	-	227,145
Investment Assets	3,566,534	1,570,676	132,935	3,617,911	8,888,056
Net Current Assets	2,410,014	824,233	1,735,200	243,777	5,213,224
Long Term Liabilities	(380,275)	-	-	-	(380,275)
	<u>5,658,918</u>	<u>2,394,909</u>	<u>2,032,635</u>	<u>3,861,688</u>	<u>13,948,150</u>

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Restricted Capital Endowment Funds £	Total Funds £
Fund Balances at 31 December 2019 are represented by:					
Tangible Fixed Assets	65,772	-	164,500	-	230,272
Investment Assets	3,580,010	1,601,161	134,600	3,734,184	9,049,955
Net Current Assets	2,571,860	950,928	1,558,344	229,571	5,310,703
Long Term Liabilities	(380,275)	-	-	-	(380,275)
	<u>5,837,367</u>	<u>2,552,089</u>	<u>1,857,444</u>	<u>3,963,755</u>	<u>14,210,655</u>

THE ST DAVIDS DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

28 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE UNREALISED GAINS

	2020	2019
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	(262,505)	65,460
<i>Adjustments for:</i>		
Depreciation charges	6,454	16,259
Realised (gains)/losses on investments	60,319	(564,819)
Realised (gains)/losses on investment properties	-	(54,011)
Dividends, interest and rents from investments	(503,190)	(593,711)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in debtors	31,647	(42,234)
Increase/(decrease) in creditors	162,170	703,156
Donations received for Endowment Fund Assets	(600)	(8,036)
Net Cash provided by/(used in) operating activities	(505,705)	(477,936)
Analysis of cash and cash equivalents		
Cash in hand	5,893,696	5,797,358
Short Term investments	-	-
Cash held within investments	141,479	260,807
Total Cash and Cash Equivalents	6,035,175	6,058,165

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

29 TRUSTEES AND EMPLOYEES

Payments amounting, in total, to £1,752 were made to 9 Trustees during the year for travelling expenses when attending Board Meetings or other Diocesan matters.

No payments were made to Trustees in respect of their duties as Trustees of the Board. However, payments were made to eight Trustees for other duties amounting to £11,388. Payments of £25,806 were paid to the Diocesan Registrar.

	2020	2019
	£	£
EMPLOYEES:		
Staff Costs		
Gross Wages and Salaries	421,475	375,368
Redundancy costs	6,599	
Employers NI	39,154	35,325
Other Pension Costs	58,902	53,402
	<u>526,130</u>	<u>464,095</u>
	2020	2019
The number of employees whose total employee benefits (excluding employers pension costs) purposes was as follows:		
£60,000 - £70,000	<u>1</u>	<u>-</u>
	2020	2019
	£	£
The remuneration for Key Management personnel was	<u>179,521</u>	<u>175,687</u>
Average number of persons employed:		
Head Count	<u>15</u>	<u>14</u>
Full Time Equivalent	<u>15</u>	<u>14</u>

30 PENSION COSTS

Defined Contribution Scheme:

The pension cost charge for the year is £58,902 (2019: £53,402). Unpaid contributions to the scheme at 31 December 2020 amounted to £4,784 (2019 £334).

31 AUDITORS REMUNERATION

The auditors remuneration as auditors amounted to £14,400 (2019: £12,055)

32 TAXATION

The company is a registered charity and as such is not subject to United Kingdom taxation.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

For the Year Ended 31 December 2019

33 CAPITAL AND OTHER COMMITMENTS

Capital Commitments

In 2016, a commitment had been made towards the provision of a new 3-16 year old Voluntary Aided School in St Davids/Solva.

This commitment represents the 15% Governors' contribution to the project. The Endowed Schools Restricted Fund provided the majority of the funding for this commitment. During 2019 £385,000 has been paid towards 3-16 VA School in St Davids. An additional £58,825 has been earmarked for Improvement and/or extension of the facilities.

In 2016, it was agreed that the Board would purchase the freehold of the Diocesan Office from the Representative Body of the Church in Wales for £300,000 plus an additional figure in respect of the back ground rent due. An accrual in respect of the ground rent due has been provided in the accounts.

Other Commitments

At the Balance Sheet date the Board had contracted for the following expenditure:

- The Board has agreed for additional legal work to be undertaken in relation to the Trusts and to obtain the basis on which they are held by the Board. The cost of this work will be billed at the usual hourly rate.

At the Balance Sheet date the Board had authorised but not contracted for the following expenditure:

- The Board has agreed to pay a contribution of £16,667 to the Emergency Aid Fund held by the Representative Body of the Church in Wales. This Fund is used to help Parishes meet the cost of emergency repairs to churchyard walls etc. where there are no other funding sources available.
- The Board has agreed to provide grants amounting to £11,100, from the Bishop's Strategy for Ministry Fund to facilitate the formation of and projects in Local Ministry Areas.
- The Board has also agreed to fund the following commitments from the M H Jones-Olszwelski Designated Fund:
 - > A grant of £10,000 to the church at Saron, where the deceased used to worship, for the erection of a commemorative plaque and necessary alterations. The balance of this grant, amounting to £144, is anticipated to be paid out in 2021.
 - > £100,000 to be given to St Davids Diocesan Housing Association for renovation works. These properties are currently used to house retired clergy. During 2015, £75,745 of this grant was requested leaving the balance of £24,254 to be claimed in future years.

THE ST DAVIDS DIOCESAN BOARD OF FINANCE
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31 December 2020

33 CAPITAL AND OTHER COMMITMENTS (Cont'd)

Other Commitments (Cont'd)

- > Grants in respect of Social Responsibility projects, amounting to £302,350, were awarded during 2015. At the Balance Sheet date £235,257 had been paid out. The remaining grants awarded £67,093, are scheduled to be released in 2021/22.

These amounts have not been provided for in the accounts.

The Parsonage Board Fund had commitments of £162,145 at the Balance Sheet date relating to repair work of which £31,529 will be reclaimed from the Representative Body of the Church in Wales.

These amounts have not been provided for in the accounts.

34 CONTINGENT LIABILITIES

A potential claim has been lodged for £50,000 in respect of the sales proceeds from Burrows Field, St Davids. The proceeds of sale have been transferred into the Penlan Farm Designated Fund and ring fenced.

35 RELATED PARTY TRANSACTIONS

The St Davids Diocesan Housing Association

The Board agreed in 2014 to grant £100,000 from the M H Jones-Olszweski Designated Fund to the Housing Association towards renovation works to be undertaken to its properties during 2015. The properties are currently used to house retired clergy. £75,745 of the grant has been utilised with the balance due to be spent in 2021/22.

The Housing Association pays ground rent to the Representative Body amounting to £7,100 per annum. The ground rent is credited to the Parsonage Board Restricted Income Fund. The debtor balance at the balance sheet date is £61,400.

The following Directors are also Directors of the St Davids Diocesan Housing Association: Mr N C P Griffin, Ven R H E Davies, Ven D P Davies, Ven P R Mackness and Bishop of St Davids.

36 ULTIMATE CONTROLLING PARTY

There is no individual controlling party as the charity is managed by a Board of Trustees as detailed on pages 12 and 13.

37 OPERATING LEASE COMMITMENT

	2020	2019
	£	£
Within One Year	8,030	8,030
Between two and five years	18,950	25,832
	<u>26,980</u>	<u>33,862</u>

