

THE BRISTOL DIOCESAN BOARD OF FINANCE LIMITED

England & Wales · Charity number 248502

Details

Status	Registered
Legal form	Charitable company
Company number	00156243
Registered	1966-11-23
Register	View on the Charity Commission register

Contact

Address Diocese Of Bristol
First Floor
Hillside House
1500 Parkway North
Newbrick Road
STOKE GI

Phone 01179060100

Email finance@bristoldiocese.org

Website www.bristol.anglican.org

Activities

Objects: TO PROMOTE AND ASSIST THE WORK AND PURPOSES OF THE CHURCH OF ENGLAND IN THE DIOCESE OF BRISTOL

Activities: The primary objective is to promote and assist the work and purposes of the Church of England in the Diocese of Bristol.

Classification

- **How:** Provides Human Resources, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** DIOCESE OF BRISTOL
- Bath And North East Somerset
- Bristol City
- North Somerset
- South Gloucestershire
- Swindon
- Wiltshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£9,469,000	£13,525,000	£71,561,000	86
2023-12-31	£8,997,000	£11,648,000	£74,438,000	67
2022-12-31	£9,584,000	£10,151,000	£73,294,000	58
2021-12-31	£9,370,000	£9,709,000	£77,690,000	58
2020-12-31	£13,971,000	£9,564,000	£72,764,000	51

Trustees

Name	Role	Appointed
Richard Francis Bacon	Chair	2022-06-11
Alison Rowe		2022-01-01
Bishop Neil Warwick		2019-09-04
Bruce Anthony Fynamore		2016-01-01
Dr Clare Lorna Jefferis		2022-01-01
JOHN DOMINIC SUNDERLAND		2019-01-14
Julia Childerhouse		2025-01-01
Rev Adam John Beaumont		2025-04-02
Rev Katharine Smith		2022-11-30
Rev Trudie Anne Wigley		2019-01-01
Sally Cordwell		2025-05-16
The Venerable Christopher Bryan		2019-05-07
The Venerable Rebecca Ann Waring		2023-12-01
The Very Reverend Amanda Kirstine Ford		2020-10-03

THE BRISTOL DIOCESAN BOARD OF FINANCE LIMITED

England & Wales - Charity number 248502

Accounts



DIOCESE OF BRISTOL

TRANSFORMING. TOGETHER.

The Bristol Diocesan Board of Finance Limited Annual Report & Financial Statements for the year ended 31st December 2024

Registered Office: Hillside House, 1500 Parkway North, Stoke Gifford, Bristol BS34 8YU
0117 906 0100 | www.bristol.anglican.org |
The Bristol Diocesan Board of Finance Limited | Reg. in England: Charity 248502, Company
156243

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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 31st December 2024.

The Trustees and Directors are one and the same and in signing as Trustees they are also signing the Strategic Report sections in their capacity as Directors.

This combined report satisfies the legal requirements for:

- A Directors' Report of a charitable company;
- A Strategic Report under the Companies Act 2006 (which has been covered by the Strategic Development report on pages 2 to 13 below); and
- A Trustees' Annual Report under the Charities Act 2011.

The Financial Statements have been prepared in accordance with statutory requirements prevailing at 31st December 2024, with the requirements of the Charity's governing document, its Memorandum and Articles of Association, and with the Charities Statement of Recommended Practice (FRS102). Where possible, the guidance issued in the Diocesan Annual Report and Financial Statements Guide by the Diocesan Secretaries' Liaison Group has been followed.

LEGAL OBJECTS

The primary objective of the Bristol Diocesan Board of Finance ("the BDBF") is to promote and assist the work and purposes of the Church of England in the Diocese of Bristol.

The BDBF has the following statutory responsibilities:

- The management of glebe property and investments to generate income to support the cost of stipends arising from the Endowments and Glebe Measure 1976;
- The repair of benefice houses as the Diocesan Parsonage Board under the Repair of Benefice Buildings Measure 1972;
- The management of investments and the custodian of assets relating to church schools under the Diocesan Boards of Education Measure 1991 and the 2011 Act; and
- The custodian of permanent endowment and real property assets relating to trusts held by Incumbents and Churchwardens and by Parochial Church Councils (PCCs) as Diocesan Authority under the Incumbents and Churchwardens (Trusts) Measure 1964 and the Parochial Church Councils (Powers) Measure 1956.

STRATEGIC DEVELOPMENT REPORT

BACKGROUND

The strategic landscape in 2024 continued to be very challenging.

The nation, and the Church, continued to feel the impact of the Russian invasion of the Ukraine, the conflicts in the Middle East and - at home - a cost of living crisis. The nation elected a new government in July 2024, and their early actions have impacted negatively both on the elderly, and employers and, over time, the cost of borrowing, level of inflation, and economic growth. Business and consumer confidence have dropped, which will impact on fundraising in 2025.

At a national church level, the release of the Makin report led to the resignation of the Archbishop of Canterbury and calls for the Archbishop of York to resign. Work continued on the Professor Jay recommendations for the future of Safeguarding which was discussed at General Synod in February 2025.

More locally, the pressure on our ministers, parishes and schools continues to be significant and unrelenting, but they have reported that whilst they are 'weary', they are nonetheless 'hopeful'. Diocesan Support Staff engagement was high in Third Sector terms at 73%.

Work was undertaken to learn the lessons from the breakdown of the Diocese of Bristol Academies Trust, and subsequently to purposefully 're-home' the affected schools. The Education team have also been working very hard on a strategy for Children, Young People and Families.

Our vision

Humanity reconciled; creation restored.

Our mission

To follow Jesus, to serve others, and to transform communities.

Our values

- Openness: we value openness, and are loving and open to all
- Generosity: we value generosity, and receive and give sincerely
- Creativity: we value creativity, and we cooperate with the work of the Spirit
- Bravery: we value bravery; we are courageous with our voices and our actions

STRATEGIC AIMS AND IMPLEMENTATION

We have entered the second year of implementation for Transforming Church. Together (TC.T)

After many months of workshops, co-creation and discernment, Diocesan Synod approved the TC.T Strategy in March 2021. Our four Strategic Outcomes are:

- To have a form of church in every community, and a church in which all can participate, thrive and belong,
- To have people who worship God in every aspect of their lives, and throughout their whole lives,
- For the diocese to be recognised as a powerful force for gospel change,
- For the diocese to be sustainable, financially and environmentally.

To achieve these outcomes, we discerned that we need to undertake 12 strands of activity in the years ahead. We will work towards:

Forms of Church to best serve our communities	Ensure we have the right form of church, in the right place, with the right support.
Church Buildings to serve our communities	Better utilise our church properties, for mission and income generation.
Releasing our Ministers to flourish and thrive	Provide better administrative support, intentional deployment, and vocational wellbeing.
Build pathways into deep, lived-out Christian faith	Through a Diocesan Rule of Life, workplace way-finders, local discipleship and evangelism, pilgrimage, and Parish/Deanery 'Missions'.
Develop our Volunteers	Provide better recruiting, induction, and support, to grow both capability and numbers.
Engage Under 25's	Through Resourcing Churches (RCs), Mission Areas (MAs) and Chaplaincies; to increase engagement and encourage participation.
Support Priority (Low Income) Communities	Invest with precision, revitalise the estates' network, increase Ministry deployment, provide targeted administrative support, and develop the next generation of officers and ministers.
Communicate and deliver positive change against injustice	Create 'campaign partnerships', identify relevant campaigns against injustice, and deliver them locally, regionally and nationally.

Inclusion and Racial Justice	Deliver our racial justice commitments and better include under-represented communities.
Build Income	Make better use of our balance sheet / investments and build novel income generation/fundraising capabilities.
Build Partnerships	Create partnerships with public, private and third sector organisations to support 'campaigns', generate income + benefits in kind, and attract new volunteers/disciples.
Achieve Carbon Net Zero 2030 (CNZ)	Deliver physical and behavioural change to achieve environmental sustainability.

OBJECTIVES, ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

In 2024 we made good progress with a number of our Transforming Church. Together workstreams:

Adult attendance	Up 5%
CYP attendance	Up 6%
Clergy under Coaching	40% of our ministers engaged with coaches
Community buildings	Additional 7 Parish buildings providing community space
Mission Areas	One new MA under development in Chippenham
Fresh Expressions	7 new Fresh Expressions of Church established
Rhythm of Life	Programme launched in September (200 participants)
Sharesy Launched	8 parishes have adopted, a further 55 in the pipeline
Growing Faith Chaplains	4 recruited in 2024
Ops Hubs	2 set up and being trialled in 2024
CNZ 2030 (Carbon Net Zero)	20% emissions reduction from 2021 baseline, 35 Carbon Net Zero Churches
Racial Justice	Strategy approved, and RJ Lead recruited. Anti-Racism training suite finalised and ready to roll out. Contested monument audit completed

The project status is 'amber/green' with parish engagement, parish share, and income generation the key areas of concern being addressed going forward.

Funding, Planning, and Financial Trajectory

The TC.T Programme Team stood up in 2022 and undertook detailed planning for implementation in 2023 and continued to make good progress in 2024. The team generated plans for the governance, monitoring and reporting, and communications of the programme. The Diocese also undertook a swathe of recruitment for the programme, nearly 85% of which were for parish, or parish-facing roles. Throughout the year, close attention has been paid to expenditure and cost control and the appropriate releases of investment funding, whilst the central team re-shaped itself to prepare to implement TC.T.

Ministry in the Diocese

Parish ministry is at the heart of the what the Diocese of Bristol does, in serving the many and varied communities in and around Bristol, Chippenham, South Gloucestershire, North Wiltshire and Swindon. Through the work of our parishes, deaneries, Bishop's Mission Orders, and aided by the Diocesan Support Services Team, this collective work strives to provide a visible Christian presence in every community in the Diocese.

Whilst there will always be short-term fluctuations, the BDBF is committed to maintaining the overall numbers of stipendiary clergy for the duration of the next five years. At the end of 2024, 212 Clergy were licensed across the Diocese of Bristol's 166 parishes, 100 benefices, 5 Bishop's Mission Orders and Bristol Cathedral (2023:

200 Clergy). Of these clergy, 144 (2023: 133) were in stipendiary ministry (or other paid ministry) and 61 (2023: 67) were self-supporting ministers (SSMs). There were also 33 (2023: 31) Anglican clergy licensed to institutions as chaplains, 126 (2023: 110) clergy holding the Bishop's Permission to Officiate and 154 (2023: 154) Licensed Lay Ministers (LLMs). In 2024, the BDBF paid an average of 112.3 full-time equivalent stipendiary clergy as officeholders holding parochial or diocesan appointments in the diocese (2023: 112). In 2015, the comparative figure was 105.

Supporting Ministers and the Mission of the Diocese

Supporting ministers has been an integral part of the Transforming Church. Together strategy. In 2024, some key interventions were made. A coaching programme was launched, and a first cohort of 37 clergy began to receive regular coaching. This will support both the wellbeing and the leadership potential of those receiving it, and the programme is due to expand to cover all licensed clergy and Licensed Lay Ministers (LLMs). A wellbeing survey for clergy has been run since 2023, and this is enabling learning about clergy wellbeing and how to make supportive interventions. In 2024, a first LLM wellbeing survey was launched. Conferences to support LLMs and clergy were run by the Mission and Ministry Support Team in 2024. These gatherings of ministers are a valuable part of the support of ministers.

New initiatives, largely supported by the Transforming Church. Together strategy, include the beginning to set up a Mission Area in Chippenham. Building on learning from the three Mission Areas set up under the previous strategic plan, this brings together four parishes in Chippenham to enable a better and more coherent approach to serving the town. Seed corn funding was launched in 2024 to enable small New Christian Communities (Fresh Expressions of Church) to develop. A new church graft was formally inaugurated at Holy Trinity Stapleton in January 2024, and a curate ordained in June to lead a church plant into the New Eastern Villages in Swindon.

The largest investment of money under Transforming Church. Together has been into areas of deprivation, known as Priority Communities. The Priority Communities Network (PCN) has TC.T funding to support 14 parish contexts in the top 12.4% on the Index of Multiple Deprivation (IMD). Part of this funding is going towards the recruitment of Operations Hub Managers; we have managed to recruit 3 so far with 4 more in the pipeline. With this additional support we hope that the clergy and their teams feel a burden is released which will enable them to focus more on mission and ministry. Even in the first few weeks of these Operations Hub Managers starting our clergy are reporting that they are a 'huge blessing'. The other part of the PCN investment is being used to enable PCN parishes to recruit lay staff to grow their mission, evangelism and community transformation work. After a period of prayer and discernment, the parishes have been able to choose what role they think will complement the vision of the church and where God is leading them. Many are hoping to focus their investment on children and young people's ministry. We have successfully recruited 3 lay posts with more expected to join in the coming weeks. Alongside this work the PCN team are investing in developing a new discipleship and leadership pathway for churches in the wider 30% IMD, to encourage, enable and grow people's confidence to serve Jesus in their church and local community.

Continuing Ministerial Development

In 2024 we ran 4 Continual Ministerial Development training events attended by 147 clergy and lay ministers. Topics included preaching on the Gospel of Mark, Being Biblical about Human Sexuality, Art in Church & Hospice for Humanity. February 2024 also saw a residential, weekend conference for lay ministers in Wiltshire with 69 attendees and October 2024 saw the bi-annual residential clergy conference in Derbyshire with 120 clergy present.

2024 saw 5 clergy granted Extended Ministerial Development Leave by the Bishop, time was spent focusing on personal vocations, studying the sermons in Acts, contemplating the experience of autistic clergy, research the experiences of resourcing churches and spending time on pilgrimage, retreat and with family.

Also, 7 applications for CMD funding grants were received & all applications were awarded funding contributing towards external training focusing on spiritual direction, ecclesiology, modern perspective on spirituality, leadership, theological anthropology & further education

The Post of First Responsibility Learning Community includes 18 clergy who meet monthly to learn together, receive support & input from MMS colleagues as they encounter challenges this new role may bring.

The Ministerial Development Review process is changing due to the incoming coaching programme which has been provided through TC.T leading to a limited number of reviews being offered, overall 2024 saw 49 licensed clergy engage with the process.

30 clergy attended the South West Transitions in Ministry consultations across the year, topics covered were Preparing for Retirement, New Post, Post of First Responsibility & Working with the Newly Ordained.

Vocations

Supporting individuals on their vocation journey from feeling an initial call through to ordination or being licensed as a lay minister remains a significant part of the Ministry and Mission teams' work. In 2024 we had 18 people attend our exploration course "Am I Called?", with 13 making initial enquiries for vocations, 8 people attended the Stage 2 panel for ordination training and 3 people attended the lay ministry discernment day. 6 people began ordination training & 6 people began lay ministry training in September 2024. Following the completion of their training, 9 people were licensed as deacons at Bristol Cathedral, with a further 11 licensed as priests. There were no lay ministers licensed in 2024. We provided 49 training sessions and ongoing mentoring for 32 curates.

Racial justice

The Diocese has continued to implement the Bishop's Racial Justice commitments during 2024. In June the Racial Justice Strategy was finalised by Bishops Council and a full time Racial Justice Officer was appointed to implement an ambitious programme of change.

Research was commissioned to look at the origins of our Diocesan Reserves and a second research project looked into contested heritage within Diocesan churches (e.g. monuments, statues, plaques and other physical legacies) following a successful pilot last year. Plans have been developed to undertake community consultations during 2025 regarding the future of All Saints Corn Street.

Inclusion

The Inclusion team has continued to advise the DSS and parishes in the areas of disability, mental health and older people's mental health and dementia. All DSS staff have been trained on The Sunflower hidden disability scheme, and parishes are being encouraged to join the scheme. We have trained a group of six neurodiversity trainers who will be able to train others across the diocese during 2025. We continue to work closely with churches, the buildings team and the DAC to enable more church buildings and halls are more physically accessible.

We hosted our first mental health conference in November which launched the Renew Wellbeing scheme and was attended by around 40 people. Across the Diocese we have currently trained 120 Mental Health First Aiders, with refresher training now also being offered to the first cohort trained in 2021. Anna Chaplaincy has been launched in the diocese, with two information sessions resulting in five people going forward for training in 2025. One church received our Dementia Friendly Church award, with several others in the pipeline, and several dementia friendly services and awareness sessions have been delivered.

Climate Emergency

At its Diocesan Synod in November 2019, the Diocese of Bristol became the first Diocese in the Church of England to declare a 'climate emergency' and commit to reach net zero carbon emissions. The Church of England General Synod followed this commitment to net zero by setting a 2030 target and in March 2023 a comprehensive plan to achieve this was approved by Diocesan Synod with a commitment to provisioning £2.1m to fund its first 2 years of delivery. The focus of this provision is Audits, Housing retrofit, School Photovoltaics and fabric decarbonisation. A £10,000 grant fund has been made available to PCCs to support the decarbonisation of their church buildings. While this is only a small step given the scale of the challenge, it represents a meaningful start. We recognise the significant financial challenge faced by our dedicated PCCs. To strengthen this support, we are actively pursuing additional funding from both the National Church and external sources to help resource this vital transition.

The estimated figures for the Bristol Diocese to achieve carbon net zero are focused on 3 key areas Housing and Glebe (£5.15m), Churches & Halls (£19.7m and £4.5m) and our Schools, which is currently under review. This does not include additional costs for resources such as people, communications, and office provision (£0.6M), we are also accountable for Bristol Cathedral and our adult and academy Educational Facilities, which add further complexity to our net zero journey.

The Bristol Diocesan Board of Finance Limited

Annual Report of the Directors

For the year ended 31st December 2024

To date, 185 churches have completed energy audits, each resulting in a costed, tailored decarbonisation plan. Across our clergy housing, 52 solar panel arrays have been installed, along with 10 heat pumps. Our Voluntary Aided (VA) schools represent a significant portion of the diocesan carbon footprint, two VA schools have completed major solar installations, with two more scheduled for 2025.

A growing movement of local action supports this progress. Our network of eco-champions, dedicated volunteers embedded in parishes, has expanded to 75 active members. As of this year, 25 churches have achieved Bronze Eco Church status, 17 have achieved Silver, and 2 have reached Gold. As a Diocese, we currently hold Bronze Eco Diocese status and are actively working towards achieving Silver by the end of 2025. These precious buildings in our care are not only 'roofs for photovoltaic (Solar) panels', but they are also places of worship, community hubs, warm spaces, addiction support, older people's clubs, debt counselling centres, young people's clubs, café's, foodbanks, clothing banks, safe spaces, and so much more. When a roof is repaired it enables these amazing and supportive spaces to continue to support a much wider community. When we add Photovoltaics or change the heating, we not only substantially reduce our impact on God's precious creation, but the financial savings on energy costs enable the continued sustainability of all these much-needed resources.

Church Buildings

The church buildings team was expanded and restructured during 2024 to include the Diocesan Advisory Committee (DAC) Secretary alongside a new Church Buildings Maintenance Officer and Community Engagement Officer, roles which are shared with the Diocese of Salisbury and funded by the National Church. The team provided support and guidance to parishes across a range of matters including repair, maintenance, quinquennial inspection report reviews, advice on permissions and Faculties, and navigating project briefs for parish and community-wide projects. A series of tools for parishes were developed including a maintenance calendar and digital Matterport scanning of churches as part of their energy audits.

During the year, 51 faculties were applied for, 29 were granted and 21 DAC site visits were carried out. For other permissions, 126 applications were received and 136 granted (due to timing from the previous year). Proposals varied from repairs and improvements for bell ringing to window repairs, new net-zero heating systems and bike stands.

Property

In 2024 the property team made improvements to nearly all of the clergy houses carrying out 430 repairs, as well as planned maintenance throughout the full portfolio. The team also carried out a number of changes of occupiers as clergy moved in or out of their roles which involved more intrusive works and any necessary CNZ upgrades. The team responded to the reactive maintenance issues within 1-5 days, as well as managing a number of private rentals in order to bring in extra income for the Diocese.

Education

The Education team continued to work with our 71 church schools across the Diocese to ensure that children and young people flourished in their education. All Diocese of Bristol Academy Trust (DBAT) schools transferred successfully to their new trusts by January 2025 and the company is in the process of closure. The Education Team are now working closely with six multi-academy trusts. This year 20 schools had OFSTED inspections, with most remaining as Good or Outstanding. OFSTED have removed overall single word judgements. In addition, 15 school completed the Statutory Inspection of Anglican and Methodist Schools (SIAMS) inspections with 14 of them achieving J1 which indicates that the school is living up to its foundation as a Church school and is enabling pupils and adults to flourish. Although all our schools continue to thrive, there are profound concerns around school budgets affecting the quality of education offer.

Schools Advisors delivered training and conferences throughout the year including the Annual RE (Religious Education) Conference in February (95 delegates), the Learn Teach Lead RE Conference in July (57 delegates), and the DBE Conference (87 delegates) where we welcomed Nigel Genders as our keynote. This was in addition to individual school visits and bespoke school staff and Governor training sessions. In September we welcomed 13 new headteachers to our schools at a commissioning day at the Cathedral.

Under 18's

This stream of work within the TC.T programme focused on planning and setting up systems in 2024. However, we were able to discern four pilot Growing Faith Chaplaincies, with two of them recruited by the end of the year. Two Flourish locations were set up at St Chad's in Patchway and St Mary Redcliffe and Temple in central Bristol. These worshipping communities in schools are a partnership between the church and school and are led by young people. An additional Growing Faith Learning hub was established through a partnership with Hazelnut Community Farm, which will focus on eco justice and youth advocacy.

Grants were given out to multi-academy trusts to support them to develop a chaplaincy provision and a diocesan Chaplaincy Adviser and Youth Engagement officer appointed. Youth engagement work took off through the 'Echo' programme to find out the views of young people across the diocese.

Fund raising and communications

The Communications & Marketing team continue to boost the diocese's online presence and increase engagement by highlighting the great and varying work our parishes do.

On our website, the safeguarding and education pages were updated to offer clearer, concise information to users - with the former being praised by external safeguarding auditors. A monthly email news bulletin with more than 1,700 subscribers across the diocese including church teams, clergy and the wider community focuses on good news within the diocese, funding and training opportunities as well as events and support that parishes can get involved with.

Our social media platforms have all seen an increase in followers and engagement over the last 12 months with a 20% increase of followers on Instagram. Our TikTok channel especially has been a success – as well as being one of the first C of E dioceses to establish an account, we've seen a more than 100% increase in followers over the last year. Having a TikTok account aligns with our goal of increasing youth engagement in the work we are doing. We came off X/Twitter in the last year as felt it was a space that no longer aligned with our values and are experimenting with both Threads and BlueSky.

The fundraising team was increased in 2024 to enable more support to parishes particularly in securing grant funding but also more general ideas related to generosity and giving. We provided fundraising advice to 26 parishes who then went on to raise at least £135,000 towards their own projects. A new partnership with Sharesy was launched in October with the aim of supporting parishes to rent out their churches and halls for community use, whilst also increasing their financial security. In the first three months eight churches registered, five of which were taking bookings by the end of the year which generated an average additional monthly income of £2-4,000.

Parish Share

Parish Share is the method by which the Diocese asks parishes to contribute to the common fund of money used to provide, support or enable parish ministry across the whole Diocese. Through contributing Parish Share, each church is taking shared responsibility for providing vital mission and ministry in every community, especially those that might not otherwise be able to afford it.

In 2024 a total of £5.71m was requested in Parish Share, and £4.95m generously given. This amounted to 87% of what was requested, which is the highest gift to request rate since 2022. When adjusted for the effects of inflation, the value of what has been requested and given has decreased, but we continue to give thanks to our Heavenly Father for the generosity demonstrated through Parish Share gifts.

Safeguarding

2024 has been a busy year for the Safeguarding Team within the Diocese. Commencing with the Independent Audit of safeguarding arrangements within the Diocese by INEQE (a leading safeguarding trainer and inspecting organisation) which was published in July and has led to a revised and updated safeguarding Improvement plan. The Diocese is now certified as having met the requirements of Amending Canon 42 in relation to recommendation 1 of the Independent inquiry into Child Sexual Abuse (IICSA) report into the Church of England.

The staffing in the safeguarding team has remained stable though all roles have been reviewed and the Safeguarding Co-ordinator is now the Safeguarding Parish and Support Officer, the Training and Development Officer is now the Deputy DSO – Training and Development and a Safeguarding Caseworker has been redesignated as Deputy DSO – Casework. Geralyn Meehan was appointed as Director of People (HR, Safeguarding and E,D&I) in 2024.

During the year 2,375 courses were completed with safeguarding training either via the e-learning portal or in face-to-face/zoom courses (2023: 2,484); 1,213 DBS applications were processed (2023: 1,042) and all new cases were recorded on the national case management system utilising the new national categorisation system. The Safeguarding Annual Report for 2024 will be published on the Diocesan website when signed off by the Diocesan Safeguarding Steering Group.

Conclusion

The Directors believe that all the above shows that the BDBF delivers significant public benefit by working with ministers, parishes and schools to be a Christian witness at the centre of their communities, whilst continuing to reduce the size of the operating deficit, and Transforming Church Together.

FUTURE PLANS

During 2025, the Diocese will:

- Continue to implement TC.T and provide world class support to Ministers, Parishes and Schools so they can follow Jesus, serve others and transform communities,
- Implement Total Return Accounting,
- Respond to decisions relating to the Future of Safeguarding,
- Submit proposals to the Strategic Mission Ministry Investment Board for the next phase of TC.T funding,
- Provide focussed support to a small number of parishes to catalyse change, and to demonstrate the impact of TCT more widely,
- Strive to improve performance in Parish Share returns and Income Generation,
- Refresh the governance of key Diocesan bodies and committees.

FINANCIAL REVIEW

Financial results analysis

In November 2023, Diocesan Synod approved BDBF expenditure totalling £15m for 2024, which included other funds and Diocesan Stipends Fund (DSF) capital expenditure (2023: £11.2m). The budget presented to Diocesan Synod showed expenditure outstripping income by £3.7m. However, similarly to prior years most of this budgeted expenditure is for planned improvements is being funded from relevant restricted reserves so this effectively means that the BDBF's remaining operational budget was in deficit by £0.6m (against a Budgeted expectation operational deficit of £0.9m).

This budget reflected a desired level of Parish Share (the financial contributions made by parishes to the BDBF) for 2024 of £5.4m. By the end of 2024, gifts of Parish Share totalled £4.98m (2023: £5.03m).

Overall grant and project income was £1.3m below budget with most of this relating to the timing of Strategic Development Fund (SDF) TCT grants and corresponds to a lower level of expenditure on 'other parochial ministry' costs. A fundraising budget of £100,000 was set for 2024, but no progress was made toward this due to delays in establishing the required infrastructure.

Actual expenditure was £13.5m, which was £1.5m under budget and an increase of £1.9m from 2023. As expected, BDBF's largest area of expenditure during 2024 was the cost of clergy stipends £3.5m (2023: £2.9m) which was immaterially over budget, primarily due to lower than anticipated vacancy rates.

Another major area of expenditure during 2024 was housing costs of £2.1m, (2023: £2.0m) which saw a continued investment in the maintenance and improvements to parochial property. The DSF "investment expenditure" budget was set at £0.8m for the year, but actual expenditure was £0.7m – resulting in a favourable variance and overall underspend against the housing costs budget of £0.1m.

Strategic Transformation expenditure (including TCT and Director of People & Safeguarding salary) increased to £1.9m for the year (2023: £1.0m), and although this expenditure was significantly below the budgeted £3.7m it was anticipated when the budget was set that this expenditure would be largely grant funded. However, as TCT Strategic Ministry and Mission Investment Board (SMMIB) funded expenditure continues to be slower than anticipated, just £0.8m of expenditure is from TCT SMMIB funds, whereas £1.1m of expenditure is funded from BDBF designated funds. Sources of funding for the TCT work has also come from the Benefact Trust and General Reserves,

Other areas of expenditure that created notable variances include Finance & Information Services which exceeded budget by £0.2m. This overspend is a result of our required transition away from the Church of England IT Service (which was expiring) to a new local supplier ITRM. An additional need to upgrade IT security and improve efficiency and compliance meant increased support costs and an outlay for IT hardware. Diocesan Office Functions exceeded budget by £0.06m, caused by an overspend against recruitment costs

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For the year ended 31st December 2024

due to the recruitment of a Director of People & Safeguarding, the search for a Director of External Relations and the appointment of a Racial Justice Programme Lead (£0.1m). Advisory Services, Parish and External Relations also accumulated an overspend against budget of £0.1m due to complexities of challenges faced.

The 2024 net operational expenditure before other funds was therefore a deficit of £4.1m (2023: deficit of £2.7m). However, this is before taking into consideration capital gains and fund transfers.

Realisation of listed investments resulted in cash flow inputs of £6.1m of which £0.7m was re-invested in investments, £1.2m was spent on new parsonages to support Clergy requirements and £1.0m on final bank loan repayments, leaving £3.3m (see Cash flow statement Net cash provided by investing activities of £5.5m less Dividends, interest and rent of £1.2m less Loan repaid of £1.0m = £3.3m) to support investment in long-term operations and the balance sheet (2023 equivalent £3.8m). The transfer of parsonage Fixed Asset properties from General Funds to the Diocesan Stipends Capital Fund helped fulfil this transfer as well as ensuring that those assets were held in a more appropriate fund.

In 2024, the net capital gains / losses of £1.2m is for investments only as there were no sales of glebe property in year. The net capital gains and losses includes the aggregation of gains on investments for the Education Foundation (£0.24m) which funds grants to church schools including the Diocese of Bristol Academies Trust (DBAT) and investment gains for Clergy Society (£0.06m), which provides small welfare grants to clergy on a case-by-case basis.

Significant Property Transactions

The BDBF spent £0.7m (2023: £0.6m) on necessary improvements to benefice houses in the year from the Diocesan Stipends Capital Fund. The Diocesan Stipends Capital Fund is available for providing and improving benefice and glebe properties and when invested provides income for clergy stipends. During 2024, within benefice housing, two properties were purchased totalling £1.2m. One value linked loan property was sold for £0.1m. See note 13 to the financial statements.

Balance sheet position

The Directors consider that the balance sheet together with details in note 23 show broadly that the restricted and endowment funds are held in an appropriate mix of investments and current assets given the purposes for which the funds are held.

During 2024, net assets have decreased by £2.9m, totalling £71.6m at the balance sheet date compared to £74.4m at the end of 2023. While there was a significant deficit in 2024 due to longer-term investment, this was counteracted by a larger increase in the value of investments of £1.2m which reflected the relevant market performance in 2024 including the realisation of some of that benefit through asset sales. It is worth highlighting that within net assets total, are properties, mostly used for ministry, whose value amounted to £35.2m (2023: £34.1m). Of the net assets shown in the balance sheet, £44m are held in endowment funds and a further £10.6m in restricted funds and cannot be used for the general purposes of the BDBF.

Reserves policy

The reserves policy of the BDBF applies to three distinct levels of its operations.

On one level, the policy is to ensure sufficient funds are available to maintain the smooth, ongoing operations of the BDBF. The management of these reserves helps the BDBF to ride out daily cash flow requirements, which can be quite substantial considering that the largest item of expenditure (clergy stipends) is paid monthly but the largest income source (Parish Share) tends to come in unevenly across the year overall.

On a second level, the policy is to maintain the minimum level of cash and liquid assets in order to permit the BDBF to fulfil its immediate financial commitments and effect a smooth transition should a major change or disruption occur to its operations.

Finally, the policy is to maintain sufficient invested reserves, in order to minimise the call made on parishes to support the work of the Diocese. The annual cost of ministry and related support costs are not wholly covered by annual Parish Share receipts in the BDBF budget and a significant factor in bridging this gap is the income generated by historic reserves. The BDBF is willing to use its reserves to invest in future ministry and support the Diocese's strategic initiatives, with a view to these becoming self-sustaining over time.

The required reserves figure (based on the first two levels above) is estimated to equate to at least three months of general fund (designated and undesignated) expenditure and would amount to approximately £3.2m. At 31st December 2024, net current assets (all Funds of £3.0m) less Long term creditors (all Funds of

The Bristol Diocesan Board of Finance Limited

Annual Report of the Directors

For the year ended 31st December 2024

£3.3m) plus Investments from Unrestricted Funds (£8.8m) were £8.5m, as shown in note 23). The comparative figure for 2023 was £8.4m. Successive operating deficits over recent years and the purchase of various properties reduced the BDBF's liquid assets and the BDBF renewed and drew down on a £2m bank borrowing facility in September 2021 as a result. This loan was repaid on a quarterly basis over the period July 2022 to September 2024, utilising the realisation of investments. The BDBF's cash flow continues to be monitored closely. The BDBF has a number of other endowment and restricted funds which are represented by investments and fixed assets. The purpose of these funds is detailed in note 23 of the financial statements.

The total of unrestricted funds (designated and undesignated) at 31st December 2024 amounted to £17m (as shown in note 22), of which £8.8m was held in marketable securities and £8.7m is tied up in tangible fixed assets (as shown in note 23), which is sufficient to meet this policy.

Grant making policy

In 2024, the BDBF made a grant of £524k (2023: £502k) to the Archbishops' Council of the Church of England, as a contribution towards the costs of supporting the National Church Institutions, grants and contributions to other organisations and mission agencies' pension contributions; details of the amounts paid are shown in note 11. Bristol Diocesan Clergy Charities makes grants to diocesan clergy and their dependants, who are in conditions of need, hardship, or distress; to advance the education of children of diocesan clergy; and to assist with the holiday expenses of clergy. Other grants made from time to time by the BDBF are approved by the Directors in each year's budget.

Loans policy

Historically the BDBF advanced loans to parishes largely to facilitate fabric works in support of their overall mission and ministry. Interest-free loans of up to £10,000 have been made from BDBF funds, with larger loans being obtained through the CBF Diocesan Loan Scheme (now closed), or directly from the BDBF's own funds, subject to availability and eligibility criteria. These are considered to be concessionary loans in accordance with Section 34 of FRS102 and further details can be found in note 16 of the financial statements.

Investment policy and financial instruments risk

The BDBF has power to invest funds not immediately required for operational purposes in such concerns, securities, or properties as it thinks fit. These investments constitute the bulk of the financial instruments risk for the BDBF (with the financial instruments risk attached to cash, debtors and creditors being immaterial). The management of this risk is set out below. The Directors have resolved to invest such funds mainly within the various CBF (Church of England) Funds, managed by CCLA Investment Management Limited, which also operates the ethical investment policy of the National Church Institutions. The overall investment objective is to maintain long term real (i.e.net of inflation) capital value; maximise total return (income and capital), with medium risk. The BDBF has also committed to a fossil-free investment portfolio. The Finance Committee monitors investment performance through quarterly reports from the Investment Advisers. The majority of investments are held as permanent endowments for the long-term and therefore the Directors' investment advisers continue to recommend no material change to the current investment strategy. The investments held and their returns during the year are set out in the following table:

	2024				2023			
	Funds at 31st December	Proportion of portfolio	Income yield in year	Total Return* in year (gross)	Funds at 31st December	Proportion of portfolio	Income yield in year	Total Return* in year (gross)
	£'000s				£'000s			
CBF Investment Fund	18,261	53.99%	2.73%	10.53%	23,096	60.67%	2.73%	10.09%
CBF Global Equity Fund	10,215	30.20%	2.38%	8.78%	9,613	25.25%	2.48%	17.75%
CBF Property Fund	2,279	6.74%	5.39%	5.95%	2,267	5.96%	5.31%	-1.14%
CBF Fixed Interest Fund	675	2.00%	2.73%	5.78%	655	1.72%	2.14	7.81%
Other Investments	2,390	7.07%	4.90%	-0.02%	2,437	6.40%	5.30%	31.51%
	33,820	100.00%			38,068	100.00%		

* Capital and Income. Please note that the CBF Investment Fund experienced a high level of withdrawals during the year.

On 10th July 2025 CCLA announced they were being acquired by Jupiter Asset Management, but that this should have no negative impact on Church of England investment relationships.

Connected Charities

Many of the Directors and Trustees are involved with charitable bodies which are potentially beneficiaries to or from the BDBF and a register is kept of these involvements. The Directors are mindful of their duties as Trustees of this charity and ensure that possible conflicting interests are declared and that all decisions are reached on a proper basis. Details of the BDBF's transactions with those charities are provided in Note 32 to the Financial Statements.

Grants Received

Details of grants and donations received in the year can be found in note 3 of the Financial Statements.

Taxation status

The BDBF is a registered charity and, as such, is able to claim certain exemptions from Corporation Tax. No provision for tax is considered necessary.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors, through an Audit and Risk Committee, which normally meets at least three times per year, have continued the process of examining the major strategic and operational risks which the BDBF faces. They hold and monitor a register of the significant risks, assessing the probability of occurrence and likely impact if they were to occur.

In 2024, the Audit and Risk Committee continued to use the framework for identifying and managing risk that was adopted in 2017. This framework requires the Directors to set their corporate appetite for risk in four areas (finance, reputation, engagement and operations) and has been designed to provide clarity about the operational and strategic risks facing the BDBF. The impact and likelihood of each risk have been scored and the top scoring risks above the appetite of the Directors are as follows, along with their mitigation strategies:

Risk Reference and Impact	Existing Mitigations	Further Actions
<p>Financial Income from Parish Share insufficient to meet financial commitments and strategic plans -Unable to sustain parochial deployment/clergy numbers -Curtailement of Parish support</p>	<p>-Monthly monitoring of receipts v pledges -Encouragement of use of standing orders by Parishes -Enhanced engagement through clerical structures (Archdeacons, Deans etc) and discipleship initiatives -Assist Parishes on fund-raising initiatives -Utilise reserves to invest in more sustainable Parish Share model</p>	<p>-Continually update engagement strategy -Work with Diocesan Synod representatives to improve strategy -Recruitment of fund-raising support and implementation of online fundraising systems</p>
<p>Financial Investment Returns Fail -Due to adverse market conditions and/or investment decisions -Unable to meet spending commitments and have to use reserves</p>	<p>-Independent external scrutiny and advice -Regular reports to Finance Committee -Regular review of asset allocation, diversity of investments and manager performance</p>	<p>-Detailed review with investment managers at least once every two years -Plan in the Budget that sufficient reserve funds available to cover un-budgeted investment income shortfall</p>
<p>Reputational Serious past or present safeguarding issue identified -Serious harm to victims -Adverse reputational issue</p>	<p>-Ensure safeguarding processes and provision and advisers are in place and followed swiftly -Ensure safer policies for recruitment, training and monitoring are in place -Scope and resolve issues via Risk Management Group</p>	<p>-Consider Past Findings Reviews -Consider IICSA recommendations on current safeguarding practices -Implement SG audit findings</p>

In February 2024 the Audit and Risk Committee re-worded and updated the 2017 Framework to enhance its usage. These updates were passed at Bishops' Council on 25th February 2025.

STRUCTURE AND GOVERNANCE

Organisational structure

The BDBF is governed by its Memorandum and Articles of Association but also has to work in accordance with the requirements of the Synodical Government Measure 1969, which is regularly updated by means of its Schedule 3 'Church Representation Rules'.

The Articles provide that the members of the Standing Committee (Bishop's Council) shall be the Directors. The Standing Committee (Bishop's Council) are elected triennially by the houses of clergy and laity of the Diocesan Synod, in accordance with Bristol Diocesan Synod's Standing Orders. Certain officers of the Diocese are ex-officio members of Standing Committee (Bishop's Council). The Chairman and Vice-Chairman of the Board are elected at the next General Meeting following the election of members. All members of the Diocesan Synod who are not BDBF employees are entitled to be members of the company.

Following election, the Board of Directors are provided with information about their duties and responsibilities as Charity Trustees and Company Directors. This training last took place on 21 January 2025 at the beginning of the Directors' three-year term.

The new DBE Measure 2021 required each Diocese to make a Scheme appointing an incorporation for the Board of Education, in this case, to the Bristol Diocesan Board of Finance, and then delegating this function to a committee, the DBE. A new Scheme and Terms of Reference were agreed with the DBE to define its authority, mechanisms and Board composition. The Bishop of Swindon continued to chair this Board. This structure integrates the DBE into the main vision and strategy of the diocese and develops the visibility of schools and wider education work. It enhances the relationship between our schools, churches and households across the life of the diocese.

Decision making structure

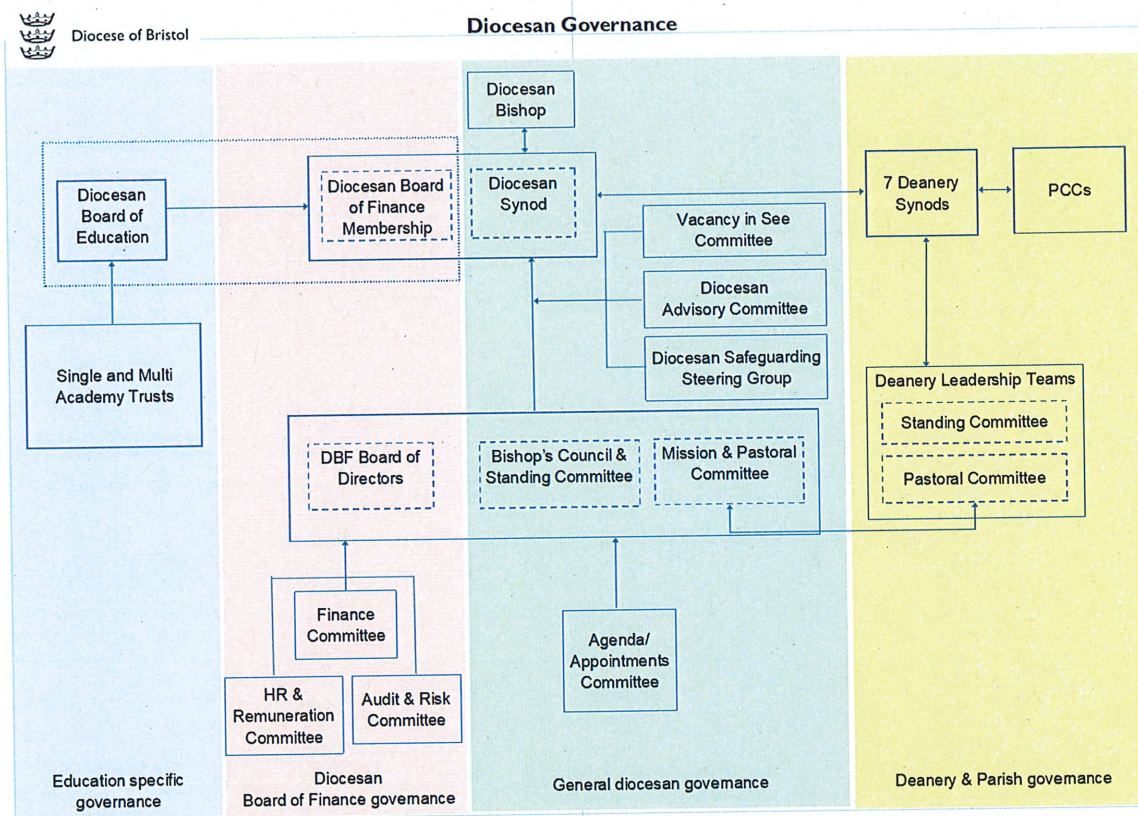
The Bishop's Council and Directors met five times in 2024. All financial related business between Directors' meetings is dealt with by the Finance Committee, which met seven times in 2024. On behalf of the Directors, the Committee deals with such matters as the annual accounts, the receipt of Parish Share and the management of the BDBF's corporate property, investments and its role as Diocesan Authority for Parochial Trusts (DAPT). It also deals with matters relating to the work of the Parsonages Board and the Diocesan Board of Education. The DAPT makes suggestions to the Bishop's Council about the appropriate level of stipends for the clergy and it deals - usually through the Chairman and the Remuneration Committee - with staff remuneration and conditions of service. There is currently no Remuneration Committee, but consideration of establishing one is under review. The BDBF, although a fully independent charity, is one of 42 Dioceses in the Church of England, which itself is governed under the Synodical Government Measure 1969 by General Synod and the Archbishops' Council.

The Bristol Diocesan Board of Finance Limited

Annual Report of the Directors

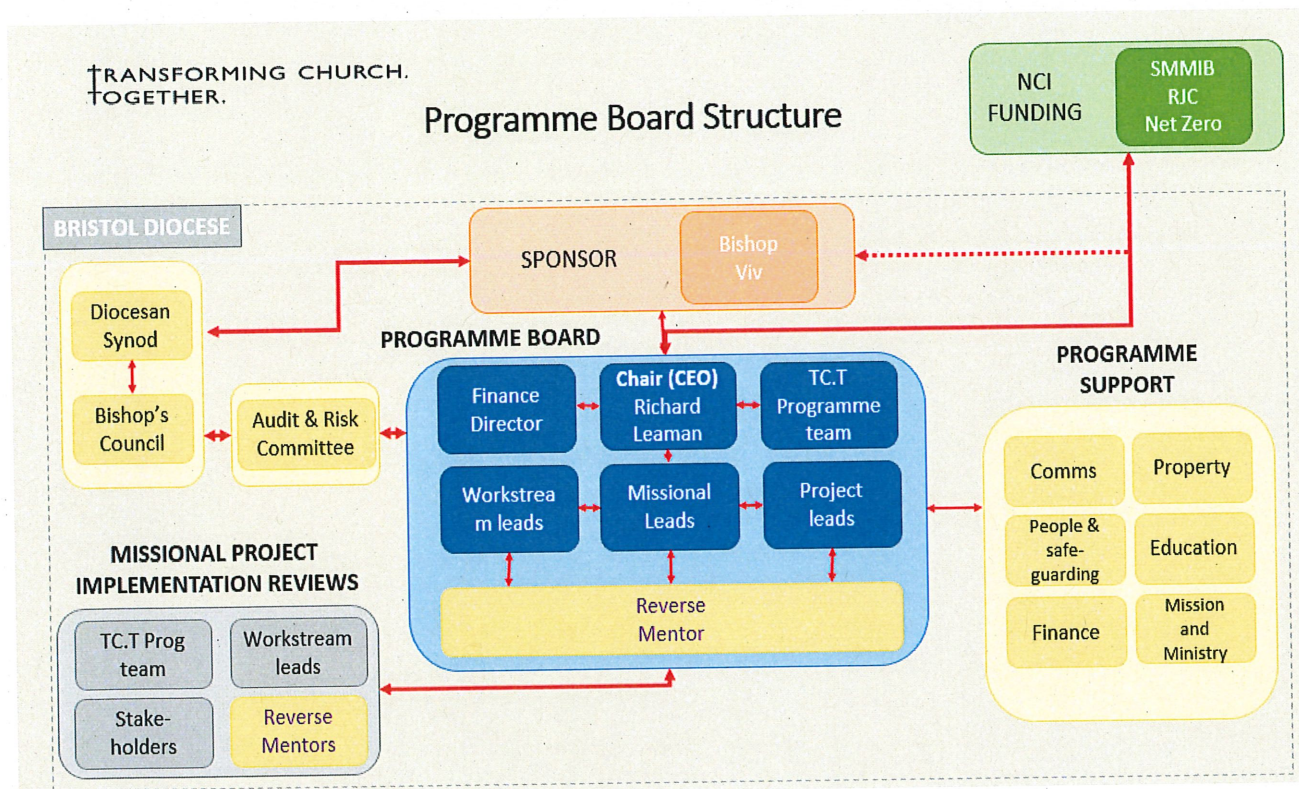
For the year ended 31st December 2024

The diagram below shows the overall structure of diocesan governance and the interaction between different committees and bodies.



TC.T Governance

Following Diocesan Synod approval in November 2022, the TC.T programme has utilised our existing governance structure to manage and implement the strategy. The process can be understood visually as follows:



Remuneration of key management personnel

Emoluments of higher-paid employees are based on benchmarking and take other market factors into account. Remuneration levels are scrutinised by HR, with recommendations made to the Finance Committee and its terms of reference include remuneration and HR policy.

Remuneration policies for BDBF staff

The BDBF reviews remuneration of its staff annually to ensure alignment with good practice and equality legislation.

During 2024 a Reward and Recognition Policy has been drafted and will be considered by Committee in 2025.

Public benefit

The Directors consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and in particular the Commission's guidance in *The Advancement of Religion for the Public Benefit*; the Directors believe they have had regard to the duty in their administration of the BDBF.

The Directors believe that, by promoting the work of the Church of England in the Diocese of Bristol, the BDBF helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the Diocese as a whole and in its individual parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

The Directors believe that this report, taken as a whole, provides evidence that the BDBF's work in 2023 furthered its charitable purposes for the public benefit.

Delegation of day-to-day delivery

The names of all those who were Directors on the date the report was approved are given on page 17 of this report.

The name of the Diocesan Secretary, to whom day to day management of the charity has been delegated, is to be found on page 18.

TRUSTEES' RESPONSIBILITIES, APPOINTMENT AND TRAINING

The Directors (also named as Trustees) are responsible for preparing the Directors' Report and Strategic Report and the financial statements in accordance with applicable law and regulations. The Trustees are elected by House of Clergy and House of Laity of Diocesan Synod. . The Board ensures that Trustees are sufficiently trained, where required, to carry out their duties. The Diocese is affiliated with the Church of England and is obliged to comply with all regulations and processes which that requires.

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

- select the most suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Statement of disclosure to Auditors

So far as the Directors are aware,

- a) there is no relevant audit information of which the charitable company's Auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's Auditors are aware of that information.

Appointment of Auditors

A resolution to re-appoint the auditors to the Company and to authorise the Directors to fix their remuneration will be proposed at the Diocesan Synod which serves as the Annual General Meeting. HaysMac LLP were appointed as auditors during the year.

ADMINISTRATIVE DETAILS

Directors and Trustees

The following served as Directors and Trustees from 1st January 2024 to the date this report was approved (unless shown otherwise):

<i>President:</i>	The Rt Rev Dr V F Faull, Bishop of Bristol *
<i>Chairman:</i>	Canon R Bacon*
<i>Vice Chairman:</i>	Vacant until Mr J Sunderland appointed 14 th June 2025
<i>Members:</i>	The Ven C P Bryan *, Archdeacon of Malmesbury The Rev Beverly Charles (resigned 31 December 2024) Professor D N Clarke* (resigned 31 December 2024) Mr B A Fynamore The Very Rev A Ford, Dean of Bristol * Dr C Jefferis Mrs A Rowe Mrs Julia Childerhouse (appointed 1 st January 2025) The Rev D Stephenson (resigned on 31 st July 2024) Mr J Sunderland (appointed Vice Chairman 14 th June 2025) The Rt Rev N M Warwick *, Bishop of Swindon The Rev T A Wigley The Rev K E Smith The Ven RA Waring*, Acting Archdeacon of Bristol (until 31 August 2024) and Archdeacon of Bristol (from 1 st September 2024) The Rev A Beaumont, Associate Archdeacon (from 2 nd April 2025) Ms Sally Cordwell (from 16 th May 2025)

* *Members of Finance Committee in whole or part of 2024*

The Bristol Diocesan Board of Finance Limited

Annual Report of the Directors

for the year ended 31st December 2024

Senior management and advisers

Diocesan Secretary and Company Secretary	Rear Admiral Richard Leaman CB OBE
Deputy Diocesan Secretary and Director of People & Safeguarding	Mrs Caroline Jowett-Ive (Resigned 8 th April 2024) Mrs Geralyn Meehan (Appointed 3 rd June 2024)
Deputy Diocesan Secretary and Director of Property	Mrs Lindsey McCullam MCIQB MSc Dip Surv AIHBC (Appointed Director of Property 6 th September 2022, appointed Deputy Diocesan Secretary 15 th April 2024)
Director of Finance and Technology	Mr Stephen Sheridan AKC FCA (Appointed 1 January 2024)
Director of Mission and Ministry Support	The Rev Dr Simon Taylor
Diocesan Director of Education	Canon Ms Liz Townend
Director of External Relations	Mr Harrison Leonard (Resigned 25 th November 2024)

Registered Office	1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU.
Auditors	HaysMac LLP 10 Queen Street Place, London, EC4R 1AG.
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street, London EC1M 6HR
Bankers	National Westminster Bank plc Queen's Road South West RCSC 740 Waterside Drive Aztec West Almondsbury BD99 5BD
Insurers	Ecclesiastical Insurance Group Beaufort House, Brunswick Road, Gloucester, GL1 1JZ.
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET. Evelyn Partners 4th Floor, Portwall Place, Portwall Lane, Bristol, BS1 6NA

This report, which incorporates the Strategic Report, was approved by the Directors of the Bristol Diocesan Board of Finance Limited on 18 August 2025 and signed on their behalf by



Canon Richard Bacon
Chairman

Opinion

We have audited the financial statements of The Bristol Diocesan Board of Finance Limited ("the charitable company") for the year ended 31 December 2024 which comprise the Statement of Financial Activities, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Annual Report of the Directors (which includes the strategic report and the directors' 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 Annual Report of the Directors 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report of the Directors (which incorporates the strategic report and the directors' report).

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

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 by the charitable company; or
- the charitable company 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to safeguarding vulnerable beneficiaries, health and safety, and employment law (including taxation), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006, the Charities Act 2011, Church of England Measures and VAT law.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the risk of misappropriation of assets and the risks of the misrepresentation of financial information, and revenue recognition. Audit procedures performed by the engagement team included:

Inspecting correspondence with regulators and tax authorities;

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

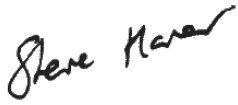
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Independent Auditors' Report to the Members of
The Bristol Diocesan Board of Finance Limited**

Use of our report

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



Steven Harper (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 23 September 2025

The Bristol Diocesan Board of Finance Limited
Statement of Financial Activities
As at 31 December 2024

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	2024 Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	2023 Total Funds
		£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Income and endowments from									
Donations									
Parish Share contributions	3	4,978	-	-	4,978	5,025	-	-	5,025
National Church Institutions (NCIs)	3	909	1,164	-	2,073	787	667	-	1,454
Other donations	3	279	145	-	424	355	119	-	474
Charitable activities	4	319	-	-	319	333	0	-	333
Other activities	5	433	38	-	471	321	0	-	321
Investments	6	818	386	-	1,204	638	752	-	1,390
Gains/(Loss) on sale of assets		-	-	-	-	-	-	-	-
Total income		7,736	1,733	-	9,469	7,459	1,538	-	8,997
Expenditure on									
Raising funds	7	146	(0)	-	146	85	25	-	110
Charitable activities	8	11,202	1,440	737	13,379	9,831	1,066	641	11,538
Total expenditure		11,348	1,440	737	13,525	9,916	1,091	641	11,648
Net income / (expenditure) before other gains		(3,612)	293	(737)	(4,056)	(2,457)	447	(641)	(2,651)
Allocation of net proceeds to parish		-	-	-	-	-	-	(1,819)	(1,819)
Net gains / (losses) on investments		424	307	483	1,214	889	560	4,209	5,658
Net income/(expenditure)		(3,188)	600	(254)	(2,842)	(1,568)	1,007	1,749	1,188
Transfers between funds		301	(301)	-	-	373	(577)	204	-
Actuarial gains / (losses) on pension schemes		(35)	-	-	(35)	(44)	-	-	(44)
Net movement in funds		(2,922)	299	(254)	(2,877)	(1,239)	430	1,953	1,144
Funds brought forward		19,910	10,254	44,274	74,438	21,149	9,824	42,321	73,294
Funds carried forward	22	16,988	10,553	44,020	71,561	19,910	10,254	44,274	74,438

The Bristol Diocesan Board of Finance Limited
Income and Expenditure
as at 31 December 2024

All activities relate to continuing activities.

	2024 £,000	2023 £,000
Total income	9,469	8,997
Total expenditure	(12,788)	(11,006)
Operating surplus for the year	<u>(3,319)</u>	<u>(2,009)</u>
Net gains / (losses) on investments	731	1,449
Net income for the year	<u>(2,588)</u>	<u>(560)</u>

The notes on pages 26 to 53 form part of these financial statements.

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

The Bristol Diocesan Board of Finance Limited
Balance Sheet
as at 31 December 2024

	Note	2024	2023
		£,000	£,000
FIXED ASSETS			
Tangible assets	13-14	35,171	34,118
Investments	15	36,639	40,846
		71,810	74,964
CURRENT ASSETS			
Debtors	16	2,105	1,952
Cash on deposit	17	3,681	3,400
Cash at bank and in hand	17	480	1,267
		6,266	6,619
CREDITORS: amounts falling due within one year	18	(3,205)	(3,358)
NET CURRENT ASSETS		3,061	3,261
TOTAL ASSETS LESS CURRENT LIABILITIES		74,871	78,225
CREDITORS: amounts falling due after more than one year	19	(3,310)	(3,787)
NET ASSETS	23	71,561	74,438
FUNDS	22		
Endowment funds		13,454	11,970
Endowment funds revaluation reserve		30,566	32,304
		44,020	44,274
Restricted funds		6,667	6,691
Restricted funds revaluation reserve		3,886	3,563
		10,553	10,254
Unrestricted funds		9,264	14,960
Revaluation reserve		7,724	4,950
		16,988	19,910
TOTAL FUNDS		71,561	74,438

Company Number 156243

The Cash Flow Statement and the Notes form part of these financial statements. The financial statements were approved and authorised for issue by the Directors of the Bristol Diocesan Board of Finance Limited on 18 August 2025 and signed on their behalf by

Richard Bacon

Canon Richard Bacon
Chairman

The Bristol Diocesan Board of Finance Limited

Cash flow statement

for the year ended 31st December 2024

	2024	2023
	£,000	£,000
Net cash inflow / (outflow) from operating activities	(4,988)	(4,447)
Cash flows from investing activities		
Dividends, interest and rent from investments	1,204	1,390
Proceeds from the sale of:		
Tangible fixed assets	47	1,853
Fixed asset investments	6,048	3,764
Purchase of:		
Tangible fixed assets for the use of the DBF	(1,146)	(635)
Fixed asset investments	(628)	(147)
Net cash provided by / (used in) investing activities	5,525	6,225
Cash flows from financing activities		
Loans repaid by the DBF	(1,043)	(966)
Net cash provided by / (used in) financing activities	(1,043)	(966)
Change in cash and cash equivalents in the period	(506)	812
Cash and cash equivalents at 1st January	4,667	3,855
Cash and cash equivalents at 31st December	4,161	4,667
Reconciliation of net movements in funds to net cash flow from operating activities		
Net movement in funds, before other gains, for the year ended 31st December	(4,056)	(4,470)
Adjustments for:		
Depreciation charges	10	28
Dividends, interest and rent from investments	(1,204)	(1,390)
Loss/(Profit) on sale of fixed asset investments	-	(15)
(Increase) / decrease in debtors	(153)	(624)
(Decrease) / increase in creditors (excl. loans)	415	2,024
Net cash provided by / (used in) operating activities	(4,988)	(4,447)
Analysis of cash and cash equivalents		
Cash in hand	480	1,267
Notice deposits (less than 3 months)	3,681	3,400
	4,161	4,667

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

BACKGROUND INFORMATION

These financial statements comprising the Statement of Financial Activities, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes 1 to 33 constitute the individual financial statements of The Bristol Diocesan Board of Finance Limited for the financial year ended 31st December 2024.

The Bristol Diocesan Board of Finance Limited is a private company limited by guarantee, incorporated in England & Wales. The address of its registered office is Diocesan Office, First Floor, Hillside House, 1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU, which is also the principal place of business. The principal activities of the entity are described in the legal objects section on page 2 of the Annual Report of the Directors.

The financial statements have been presented in Pound Sterling as this is functional currency of the BDBF and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The Bristol Diocesan Board of Finance Limited meets the definition of a public benefit entity under FRS 102.

GOING CONCERN

The Directors have reviewed the anticipated performance through a Going Concern Report which takes into account the available and projected available reserves, the latest Statement of Financial Activities (SOFA) forecasts for the full 2025 year, SOFA projections for 2026 and Cash Flow projections for a period of at least twelve months from the date of approval of the financial statements and concluded that there is no material uncertainty regarding the BDBF's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the Directors consider it appropriate to prepare the financial statements on a going concern basis. The Directors consider that the BDBF has sufficient reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

1. ACCOUNTING POLICIES

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

a) Income

All income is included in the Statement of Financial Activities (SOFA) when the BDBF is legally entitled to them as income or capital, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

i) Parish Share

The principal source of income of the BDBF is Parish Share, which is recognised on a cash received in year basis only (including cheques). This is because it is classified under donations, in accordance with FRS 102 and Charity SORP 2019.

ii) Rent

Rent receivable is recognised as income in the period to which it relates.

iii) Interest and dividends

Interest and dividends receivable is recognised as income in the period to which it relates.

iv) Grants and donations

Income from grants and donations is recognised on receipt, except where it relates specifically to expenditure to be incurred at a future date, in which case the income is deferred in the balance sheet.

v) Parochial fees

Income due to the BDBF in respect of parochial fees is recognised as income of the year to which they relate.

vi) Gains/loss on disposal of fixed assets for the BDBF's own use

Gains on the disposal of non-investment assets are accounted for as other income. Losses on disposal of such assets are accounted for as other expenditure.

vii) Diocesan Stipends Fund (DSF) income

The Stipends Fund Capital account is governed by the Diocesan Stipends' Measure 1953, as amended, and the use of the income restricted for clergy stipends. However, the income is fully expended within the year of receipt and legal restrictions, therefore, are satisfied. This income is included in the restricted column on the Statement of Financial Activities and as a transfer to the unrestricted fund, where the related expenditure is shown.

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

b) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

i) Costs of raising funds

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

ii) Charitable expenditure

Charitable expenditure is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry in the parishes of the diocese, expenditure relating to the running of the diocesan retreat centre, and expenditure on education and Church of England schools in the diocese.

iii) Grants payable

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure where the conditions attaching are fulfilled.

iv) Support costs

Support costs consist of central management, administration and governance costs. The amount spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff time basis.

v) Pension contributions

Current BDBF staff are members of a defined contribution scheme and clergy are members of the Church of England Funded Pensions Scheme (see note 30). The pension costs charged as resources expended represent the BDBF's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding for the pension schemes to which BDBF participates is accrued at current value in creditors distinguished between contributions falling due within one year and after more than one year.

The BDBF operates a defined benefit pension scheme, now closed to new members. The amounts charged to the SOFA are the current service costs and gains and losses on settlement and curtailments. They are included as part of other expenditure in the SOFA. Past service costs are recognised immediately in the SOFA if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs in other expenditure. Actuarial gains and losses are recognised immediately at the bottom of the SOFA.

The defined benefit scheme is funded, with the assets of the scheme held separately from those of the company, in a separate trustee-administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent current and term to the scheme liabilities. The actuarial valuation is obtained at least triennially and is updated at each balance sheet date. Any surplus in the scheme is not recognised as an asset.

vi) Termination Payments

Termination payments for staff recognised in the period to which the termination relates, rather than the period in which the benefits are paid.

c) Tangible fixed assets and depreciation

i) Freehold properties

Freehold properties have been valued using the mid-point of the applicable council tax band, adjusted to 1st January 1993 by an appropriate index, or cost where known. Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case, and because their expected residual value is not materially less than their carrying value. The BDBF has a policy of regular structural inspection, repair and maintenance, which in the case of residential properties is in accordance with the Repair of Benefices Buildings Measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties generally occur well before the end of their economic lives and disposal proceeds are usually not less than their carrying value. The Trustees perform annual impairment reviews in accordance with the requirements of FRS102 to ensure that the carrying value is not more than the recoverable amount.

Redundant churches have been valued at £1,000 each, reflecting the uncertainty of whether they will be sold by the BDBF.

ii) Properties subject to value linked loans

Properties which have been bought with the assistance of value-linked loans from the Church Commissioners are valued at cost, with the corresponding value of the related loan at the balance sheet date shown within creditors.

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

iii) Investment properties

Glebe land including in Investment Properties has been valued at market value, using an appropriate value per acre under RICS valuation principles by Hannah Wray MRICS of Savills UK for the year ended 31 December 2023. A desktop review of market movements to 31 December 2024 indicated no material valuation movement since the last valuation has occurred. The BDBF policy is to conduct a full Red Book valuation of these properties at least every three years.

iv) Parsonage houses

The BDBF has followed the requirements of FRS102, in its accounting treatment for benefice houses (parsonages). FRS102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The BDBF is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent. The Trustees therefore consider the most suitable accounting policy is to capitalise such properties as expendable endowment assets and to carry them at the mid-point of the applicable council tax band, adjusted to 1st January 1993 by an appropriate index, or cost where known.

d) Other tangible fixed assets

All capital expenditure over £5,000 is capitalised and depreciated as follows. Depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives at the following initial rates:

Fixtures and fittings	10% -33% per annum	straight-line basis
IT equipment	33% per annum	straight-line basis
Office equipment	33% per annum	straight-line basis

All expenditure on properties in 2024 has been repairs and maintenance, therefore £0 was capitalised.

e) Other accounting policies

i) Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities. Listed investments are valued at fair value using recognised market value estimates at the year end. Details of listed investments are provided on Notes 15 and 23.

ii) Leases

The BDBF has entered only into operating lease arrangements for the use of certain assets, the rental for which is charged in full as expenditure in the year to which it relates. Where rent free periods are given as part of an operating lease, the impact of this rent free period is reflected in the Statement of Financial Activities over the lease term.

f) Fund balances

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

i) Unrestricted funds

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the BDBF and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Long-term liabilities in respect of defined benefit pension scheme deficits are shown, where required, in a specific undesignated pension reserve fund. This is a deviation from the recommendations of the Diocesan Annual Report and Financial Statements Guide (5th Edition).

ii) Restricted funds

Restricted funds are funds which have been raised by the BDBF for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

iii) Endowment funds

Permanent endowment funds are a particular type of restricted fund which must be held permanently and the capital of the fund maintained. Expendable endowment funds are similar to permanent endowments except that there is power of discretion to convert endowed funds into income to be expended.

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Depreciation of freehold properties

The BDBF does not depreciate its freehold properties as it judges any depreciation charge to be immaterial on the basis of the long life of the asset and high residual value on the basis of the BDBF policy of regular maintenance. The BDBF carries out periodic impairment reviews to ensure that properties are not being carried at values exceeding their fair value.

Revaluation of investment properties

The entity carries its investment property at fair value, with changes in fair value being recognised in the Statement of Financial Activities. The entity engaged independent valuation specialists to determine fair value at 31st December 2023 and has considered market movements since this date. The valuer used a valuation technique based on a value per acre of agricultural land and the market value for residential properties. The determined fair value of the investment property is most sensitive to the estimated value per acre of the particular land asset in question. See

Pension and other post-employment benefits

The cost of defined benefit pension plans and other pension related provision are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty.

In determining the appropriate discount rate, management considers the interest rates of corporate bonds with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates and for the clergy pension scheme assumptions have been made about the number of future clergy in post.

Discount rate

Further details are given in note 30.

Small values

Values which are £Nil are shown as - ; those below £500 are shown as 0.

2. MOVEMENT IN FUNDS FOR THE YEAR

	2024	2023
	£,000	£,000
The net income for the year is stated after charging:		
Auditors' remuneration including VAT	43	30
Amortisation/Depreciation	10	28
Operating lease charges – plant and equipment	119	129
Interest payable on loans wholly repayable: within one year	6	56
Interest payable on loans wholly repayable: after more than five years	16	15

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

3. DONATIONS

Parish Contributions

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

	Total funds 2024 £,000	Total funds 2023 £,000
Contributions in year	4,949	4,985
Extra contributions	10	33
Receipts for previous years	19	7
	<u>4,978</u>	<u>5,025</u>

National Church Institutions (NCIs)

	Total funds 2024 £,000	Total funds 2023 £,000
LINC	466	450
Archbishops' Council	205	84
Strategic Development Funding	179	253
Strategic Capacity Funding	809	293
Strategic Ministry Funding	373	337
New housing areas	30	30
CEMES	2	7
The National Society	9	-
	<u>2,073</u>	<u>1,454</u>

Other donations

	Total funds 2024 £,000	Total funds 2023 £,000
Temple Ecclesiastical Charity	172	173
Bristol Archdeaconry Charity	58	45
Other donations	194	226
	<u>424</u>	<u>444</u>

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

4. CHARITABLE ACTIVITIES

	Total funds 2024 £,000	Total funds 2023 £,000
Statutory fees	252	278
SACRE and SIAMS	48	34
Schools work	13	7
Ministry courses	6	14
	<u>319</u>	<u>333</u>

5. OTHER ACTIVITIES

	Total funds 2024 £,000	Total funds 2023 £,000
Property rental	266	228
Other Income	157	94
Staff seconded to other charities	48	29
	<u>471</u>	<u>351</u>

6. INVESTMENT INCOME

	Total funds 2024 £,000	Total funds 2023 £,000
Dividends and interest receivable	1,176	1,362
Rents receivable	28	28
	<u>1,204</u>	<u>1,390</u>

7. FUND RAISING COSTS

	Total funds 2024 £,000	Total funds 2023 £,000
Parsonage rental costs	102	65
Glebe agent's fee	28	15
Commercial property costs	6	19
Other costs	10	11
	<u>146</u>	<u>110</u>

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

8. CHARITABLE ACTIVITIES

	Total funds 2024 £,000	Total funds 2023 £,000
Contributions to Archbishops' Council		
Training for Ministry	225	225
National Church Responsibilities	251	251
Pooling of ordinands maintenance	48	26
	<u>524</u>	<u>502</u>
 Resourcing Ministry and Mission		
Parish Ministry		
Stipends, NI and pensions	3,458	2,945
Housing costs	2,092	2,026
Curate stipends, NI and pensions	1,010	857
Mission Area & Resourcing churches	15	346
Strategic Transformation	1,929	989
Other parochial costs	168	224
Removal, resettlement and grants	224	292
Chaplaincy	151	125
Ecumenical support	0	8
Deanery	38	40
Support for parish ministry	3,194	2,724
Church Buildings	26	-
Racial Justice	37	-
Other resourcing ministry costs	94	84
	<u>12,436</u>	<u>10,660</u>
 Expenditure on Education		
Support for church schools	374	424
Grants	-	(20)
	<u>374</u>	<u>404</u>
 Closed churches		
	38	17
Other costs	37	15
Pension scheme adjustments:		
Contributions paid (BDBF Staff RBS)	(61)	(85)
Interest cost (BDBF Staff RBS)	26	25
Bishop's Urban Fund	5	0
Other Expenditure	<u>45</u>	<u>(28)</u>
	<u>13,379</u>	<u>11,538</u>

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

9. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS

	Activities Undertaken Directly £,000	Grant Funding of Activities £,000	Support Costs £,000	Total Costs 2024 £,000	Activities Undertaken Directly £,000	Grant Funding of Activities £,000	Support Costs £,000	Total Costs 2023 £,000
Fundraising costs	146	-	-	146	110	-	-	110
Charitable activities								
Archbishops' Council	-	524	-	524	-	502	-	502
Ministry and Mission	9,018	224	3,194	12,436	7,636	292	2,732	10,660
Education	374	-	-	374	424	(20)	-	404
Other	45	-	-	45	(28)	-	-	(28)
	<u>9,583</u>	<u>748</u>	<u>3,194</u>	<u>13,525</u>	<u>8,142</u>	<u>774</u>	<u>2,732</u>	<u>11,648</u>

Due to the upgrading of the Company's chart of accounts during 2024 and the resultant changes in allocation for the prior year, please note that the prior year numbers show a different allocation to those previously reported, but give a more meaningful comparison.

10. ANALYSIS OF SUPPORT COSTS

	Total funds 2024 £,000	Total funds 2023 £,000
Diocesan Office functions	691	612
Support for parish ministry	710	481
Finance and Information Services	932	885
Advisory services	86	110
Safeguarding	204	176
Communications	142	141
HR function	142	117
Parish and External Relations	149	71
Registrar and Chancellor	75	62
Archdeacon's Office	35	34
DAC	2	2
Governance and synodical costs	17	18
Other professional services	9	24
	<u>3,194</u>	<u>2,733</u>

Due to the upgrading of the Company's chart of accounts during 2024 and the resultant changes in allocation for the prior year, please note that the prior year numbers show a different allocation to those previously reported, but give a more meaningful comparison.

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

11. ANALYSIS OF GRANTS MADE

			2024	2023
	Individuals £,000	Institutions £,000	Total £,000	Total £,000
For national church responsibilities:				
Training for Ministry	-	225	225	225
National Church Responsibilities	-	251	251	251
Pooling of ordinands maintenance	-	48	48	26
For purposes within parish ministry:				
PCCs for lay appointments	-	40	40	37
Clergy (new appointments)	14	-	14	24
Removal Grants - post curacy	34	-	34	51
Clergy (resettlement)	20	-	20	35
Curates (on ordination)	24	-	24	40
Curates (resettlement)	20	-	20	12
Ordinands (family maintenance)	-	16	16	64
Clergy support (Clergy Society)	-	56	56	55
For educational purposes:				
Educational Foundations grants to schools	-	-	-	(20)
	<u>112</u>	<u>636</u>	<u>748</u>	<u>800</u>
2023 Individuals and Institutions	<u>161</u>	<u>639</u>		<u>800</u>

Due to the upgrading of the Company's chart of accounts during 2024 and the resultant changes in allocation for the prior year, please note that the prior year numbers show a different allocation to those previously reported, but give a more meaningful comparison.

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2024

12. STAFF COSTS

	2024	2023
	£,000	£,000
Employee costs during the year were as follows:		
Wages and salaries	2,438	2,100
National Insurance contributions	234	202
Pension costs	317	154
	<u>2,989</u>	<u>2,456</u>

	2024	2023
The average number of persons employed by the group during the year:	<u>86</u>	<u>67</u>

	2024	2023
The average number of persons employed by the group during the year based on full-time equivalents:	<u>70</u>	<u>55</u>

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

12 STAFF COSTS CONTINUED

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

	2024	2023
£80,001 - £90,000	1	1
£70,001 - £80,000	-	1
£60,001 - £70,000	4	3
	<u>5</u>	<u>5</u>

Pension payments of £33,489 were made for these employees (2023: £19,306).

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Diocese. They are shown on page 17

Remuneration, pensions and expenses for these employees amounted to 2024: £566,398 (2023: £578,796). Employers' National Insurance in addition to these costs amounted to £61,178.

Directors' emoluments

None of the Directors have received any emoluments from the DBF in respect of services performed as a Director (2024: None).

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

	Stipend & pension	Housing
The Ven C P Bryan	Yes	Yes
The RT Rev N M Warwick	No	Yes
The Rev T A Wigley	Yes	Yes
The Rev K E Smith	Yes	Yes
The Rev D J Stephenson (resigned 31st July 2024)	Yes	Yes
The Rev RA Waring (from 1st December 2023)	Yes	Yes
The Very Rev A Ford	No	No
The Rev A Beaumont (from 2nd April 2025)	Yes	Yes

The DBF is responsible for funding via the Church Commissioners the stipends of licenced stipendiary clergy in the Diocese, other than the bishops and cathedral staff. The DBF is also responsible for the provision of housing for stipendiary clergy in the Diocese, including the suffragan bishop, but excluding the diocesan bishop and cathedral staff.

From time to time some of the directors may be related to clergy or lay staff working in the Diocese and in receipt of a stipend and housing or salary. Travelling and other out of pocket expenses totalling £8,741 (2023 - £9,502) were paid to 4 (2023 - 5) of the Directors during the year, in respect of General Synod duties, duties as Archdeacon or Area Dean, and other diocesan duties.

Professional indemnity insurance has been taken out to protect the Trustees. This is included in an insurance policy covering the Diocesan Office and staff, Diocesan Synod and the DBF's boards and committees, at an overall cost of £15,941 (2023 - £15,690).

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

12 STAFF COSTS CONTINUED

Clergy costs

The DBF paid an average of 2024: 117 FTE; Headcount 118) (2023: 112 FTE; Headcount 110) stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese, and the costs were as follows:

	2024 £,000	2023 £,000
Stipends	3,826	3,126
National Insurance contributions	344	260
Apprenticeship Levy	17	14
Pension costs – current year	796	797
	<u>4,983</u>	<u>4,197</u>

The stipends of the Diocesan Bishop and Suffragan Bishops are funded by the Church Commissioners and are in the range £42,350 (2023 range £39,953 - £48,972). The annual rate of stipend, funded by the DBF, payable to Archdeacons in 2024 was in the range £39,058 - £41,792 (2023 range £39,058 - £40,565) and other DBF funded clergy who were Trustees were paid stipends in the range of £27,350 - £29,637 (2023 range £27,350 - £29,637). The estimated value to the occupant, of church provided housing in 2024 was £12,573 (2023 - £11,750).

13. TANGIBLE FIXED ASSETS – LAND AND BUILDINGS

	2024 £,000	2023 £,000
Cost		
As at 1 st January	34,107	33,969
Additions	1,146	675
Less disposals	(82)	(537)
As at 31 st December	<u>35,171</u>	<u>34,107</u>

All of the properties in the balance sheet are freehold. Some properties have been purchased with the help of a value linked loan from the Church Commissioners; when disposed of, the appropriate share of the net sale proceeds will be remitted to the Commissioners, and the related loan liability thereby extinguished. The value of such properties included above amounts to £460,575 (2023 - £460,575). Of the total land and buildings at 31st December 2024, £17,820,995 is valued at cost (2023 - £17,820,995) and the remainder at valuation in accordance with Note 1) c) i) above. Properties are subject to a five-year cycle of survey and consequent repairs are charged to the income and expenditure account. The Directors consider that depreciation of the buildings element of these properties is therefore not appropriate.

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

14. TANGIBLE FIXED ASSETS – OFFICE EQUIPMENT

	2024 £,000	2023 £,000
Cost as at 1st January	242	242
Additions in the year	-	-
Less disposals	-	-
Cost as at 31 st December	<u>242</u>	<u>242</u>
Provision for depreciation as at 1st January	232	204
Depreciation charges in year	10	28
Less disposals	-	-
Provision for depreciation as at 31 st December	<u>242</u>	<u>232</u>
Net book value as at 31 st December	<u>0</u>	<u>10</u>

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Notes to the Financial Statements

for the year ended 31st December 2024

15. FIXED ASSET INVESTMENTS

	2024 £,000	2023 £,000
Valuation		
Listed Investments		
At 1st January	38,068	35,526
Additions in the year	588	146
Disposals in the year	(6,064)	(659)
Unrealised investment (losses) / gains	1,229	3,055
At 31st December	<u>33,821</u>	<u>38,068</u>
Investment Properties		
At 1st January	2,778	4,665
Additions in the year	40	-
Disposals in the year	-	(2,398)
Unrealised investment gains / (losses)	0	511
At 31st December	<u>2,818</u>	<u>2,778</u>
Total Fixed Asset Investments	<u><u>36,639</u></u>	<u><u>40,846</u></u>

Investment Properties comprise:

	2024 £,000	2023 £,000
Glebe		
Agricultural Land	2,781	2,741
Non-agricultural Land	37	37
Property	-	-
Other Property	-	-
	<u>2,818</u>	<u>2,778</u>

The historical cost of the majority of investment properties is not known, but records are held of total additions of £7,000 of which £40,000 were added in 2024 (£Nil - 2023)

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

16. DEBTORS

	2024	2023
	£,000	£,000
Due within one year:		
Trade debtors	1,263	517
Prepayments	198	170
Other debtors	511	946
Parish Loans	9	183
Due after one year:		
Parish Loans	124	135
Total debtors	2,105	1,952

17. CASH AT BANK AND ON DEPOSIT

	2024	2023
	£,000	£,000
Cash on hand and at bank	351	344
Central Board of Finance Deposit Funds	407	366
Funds held by investment managers	80	40
Diocesan Pastoral Account held by the Church Commissioners	5	5
Deposit Funds held for Parish - see Notes 10 and 23	1,819	1,819
Educational Foundations deposit and cash	1,316	1,931
Bristol Diocesan Clergy Charities deposit and cash	163	142
Fresh Expressions deposit and cash	20	20
Total cash at bank and on deposit	4,161	4,667

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£,000	£,000
Trade creditors	794	208
Taxation and social security	57	56
Bank loans	0	814
Realised capital owed to Parish	1,819	1,819
Other creditors	469	460
Education Foundation	43	1
Pension scheme liabilities		
Clergy pension scheme	23	-
Total creditors falling due within one year	3,205	3,358

19. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2024	2023
	£,000	£,000
Other creditors	46	46
Education Foundation	2,998	3,248
Loan repayments due after one year		
Diocesan Loan Scheme loans	-	145
Value linked loans	266	348
Total creditors falling due after one year	3,310	3,787

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

The Church Commissioners' value linked loans for capital expenditure on clergy housing in parochial or diocesan ownership are of an equity nature. The appropriate equity share is repayable on the sale of the property concerned or when it ceases to be occupied by a member of the clergy or licensed lay worker, and interest is charged by the Commissioners at 4% per annum on the amount loaned initially, the rate rising annually by the increase in the Retail Prices Index. All value linked loans are currently due for repayment after 5 years.

Funds held on behalf of schools:

The Diocesan Board of Education (DBE) is a committee of the BDBF who receive contributions from DfE on behalf of voluntary-aided church schools within the Diocese in connection with major repair and capital projects to church schools and also government grants in connection with the same. The DBE administers these monies as managing agent and makes appropriate payments to contractors for work carried out. The monies do not belong to the BDBF and as such the receipts and payments are not treated as income and expenditure in the Statement of Financial Activities. Any monies held at the balance sheet date are treated as creditors on the balance sheet.

The amount included in creditors as at 31st December 2024 was £2,997,995 (2023: £3,248,323). This decrease of £250,328 in 2024 is caused by the release of SCA funding, which didn't occur in 2023.

20. ANALYSIS OF CHANGES IN FUNDS

	At 1st January 2024 £,000	Cash flows £,000	Other non- cash changes £,000	At 31st December 2024 £,000
Cash and cash equivalents				
Cash on deposit	3,400	281	-	3,681
Cash at bank and in hand	1,267	(787)	-	480
	<u>4,667</u>	<u>(506)</u>	<u>-</u>	<u>4,161</u>
Borrowings				
Debt due within one year	(814)	814	-	-
Debt due after one year	(493)	227	-	(266)
	<u>(1,307)</u>	<u>1,041</u>	<u>-</u>	<u>(266)</u>
Total	<u>3,360</u>	<u>535</u>	<u>-</u>	<u>3,895</u>

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Notes to the Financial Statements

for the year ended 31st December 2024

21. ANALYSIS OF TRANSFERS BETWEEN FUNDS

	Unrestricted	Restricted	Endowment
	Funds	Funds	Funds
	£,000	£,000	£,000
Correct Staff funded from TCT to Benefact 2022	-	13	-
Correct Staff funded to Benefact 2022 from TCT and Transfer Benefact 2023 from Benefact 2022	-	(125)	-
Transfer Benefact 2023 to Benefact 2023	-	113	-
General Fund Corrections	316	-	-
Transfer BMHT to Diocesan Stipends Fund Income	-	(75)	-
Transfer BMHT to Parsonage Major Works	-	(150)	-
Transfer Bristol Archdeaconry 2023 to General Reserves	-	(45)	-
Correct Tudor Cottage fund	(15)	-	-
Reallocation of fund balance to SDF	-	(32)	-
	<u>301</u>	<u>(301)</u>	<u>-</u>

Please note that the above analysis is presented only to clarify where spend which would otherwise be allocated to General Funds has been re-allocated to Restricted or Endowment Funds in line with the spending permissions granted on those Funds.

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Notes to the Financial Statements

for the year ended 31st December 2024

22. SUMMARY OF FUND MOVEMENTS

	Balance at 1 st January £,000	Income £,000	Expenditure £,000	Gains and Losses £,000	Transfers £,000	Balance at 31 st December £,000
ENDOWMENT FUNDS						
Diocesan Stipends Fund Capital	16,868	-	(737)	282	-	16,413
Parsonage Building Fund	23,050	-	-	101	-	23,152
Clergy Pensions Trust	26	-	-	1	-	27
Diocesan Mission Trust	303	-	-	7	-	310
Diocesan Education Committee Trust	21	-	-	0	-	21
Diocesan Offices endowment	345	-	-	8	-	353
Parsonages Fund	308	-	-	7	-	315
Schools Maintenance Fund capital	453	-	-	10	-	463
Younghusband legacy	266	-	-	6	-	272
Gummer legacy	155	-	-	4	-	159
Sir Francis Cowlin Trust	2,046	-	-	47	-	2,093
Bristol Diocese Clergy Holiday Trust	433	-	-	10	-	443
2024	44,274	-	(737)	483	-	44,020
2023	42,321	-	(2,460)	4,209	204	44,274
RESTRICTED FUNDS						
Diocesan Stipends Fund Income	-	39	(5)	-	(75)	(41)
3-4 Meridian Hall Reserve	65	-	-	-	-	65
Urban Fund Reserve	5	-	(5)	-	-	-
Educational Foundations Capital	1,815	-	-	-	-	1,850
Educational Foundations Income	3,315	179	(67)	189	-	3,616
Schools Maintenance Income Funds	791	50	-	6	-	847
Clergy Society Capital Funds	947	-	-	46	-	993
Clergy Society Accumulated Income	225	35	(55)	4	-	209
Clergy Society Holiday Trust Income	127	17	-	-	-	144
Uganda	10	-	-	-	-	10
Uganda (Deanery)	8	-	-	-	-	8
St Michael on the Mount Without	35	2	-	-	-	37
Fresh Expressions	20	-	-	-	-	20
Parsonage Major Works	-	79	(9)	-	(150)	(80)
Release Fund	2	-	-	-	-	2
Bishop Monk's Horfield Trust Fund	2,614	-	-	26	-	2,640
Daventry Road Fund	189	-	-	-	-	189
Creative Arts	42	2	(4)	1	-	41
Global Partnership / Uganda Trips	1	-	-	-	-	1
Transforming Church	(114)	853	(752)	-	-	0
Strategic Development Funding (SDF)	(32)	179	(87)	-	(32)	28
Racial Justice Fund	-	37	(37)	-	-	-
New Housing Areas Fund - Church Comms Grant	-	30	(30)	-	-	-
Church Buildings Support Officer Fund	-	26	(26)	-	-	-
Benefact Trust 2022	216	0	(91)	-	(125)	-
Benefact Trust 2023 Fund	-	0	(5)	-	113	108
Benefact Trust 2024 Fund	-	0	-	-	-	-
New Town Innovation Project (New in 2023)	11	71	(89)	-	-	(7)
Strategic Ministry Funding (New in 2023)	(101)	0	(44)	-	-	(145)
5-7 Meridian Place Reserve	63	0	-	-	-	63
National Society - Flourish Fund	-	9	(9)	-	-	-
Bristol Archdeaconry Charity	-	58	(58)	-	(45)	(45)
St Matthias Trust	-	54	(54)	-	-	-
Resource Ministerial Formation (RMF) Ordination Fund	-	13	(13)	-	-	-
2024	10,254	1,733	(1,440)	307	(301)	10,553
2023	9,824	1,538	(1,091)	560	(577)	10,254
UNRESTRICTED FUNDS						
Dame Violet Wills Legacy	1,060	-	-	24	-	1,084
Pastoral Reserve	5,882	60	(38)	37	-	5,941
Diocesan Office Rental Fund – Capital	5,350	-	-	335	-	5,685
Diocesan Office Rental Fund – Income	104	138	(119)	-	-	123
Mission Fund	104	0	(39)	-	-	65
Growth Fund	24	-	(20)	-	-	4
Tudor Cottage	(16)	-	-	-	(15)	(31)
Transforming Church Together (TC.T)	(542)	-	(1,062)	-	-	(1,604)
Innovation Fund	(11)	-	(6)	-	-	(17)
General Reserve	7,955	7,538	(10,064)	(7)	316	5,738
2024	19,910	7,736	(11,348)	389	301	16,988
2023	21,149	7,459	(9,916)	845	373	19,910
Total 2024	74,438	9,469	(13,525)	1,179	-	71,561
Total 2023	73,294	8,997	(13,467)	5,614	-	74,438

Please note that any funds showing a negative balance (e.g. TC.T) have had those overspends funded from General Funding.

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Notes to the Financial Statements

for the year ended 31st December 2024

23. SUMMARY OF ASSETS BY FUND

	Fixed assets £,000	Investments £,000	Net current assets/(liabilities) £,000	Long term creditors £,000	Net assets £,000
Endowment Funds	26,363	18,231	(574)	0	44,020
Restricted Funds	129	9,651	3,772	(2,999)	10,553
Total Restricted Funds	26,492	27,882	3,198	(2,999)	54,573
Designated Funds	5,132	7,522	(1,420)	0	11,234
Undesignated Funds	3,547	1,235	1,283	(311)	5,754
Total unrestricted Funds	8,679	8,757	(137)	(311)	16,988
Total Funds	35,171	36,639	3,061	(3,310)	71,561
2023	34,118	40,846	3,265	(3,791)	74,438

24. DESCRIPTION OF FUNDS

ENDOWMENT FUNDS

(a) Diocesan Stipends Fund Capital

This fund represents the value of glebe property and investments at the balance sheet date. The account is governed by the Diocesan Stipends Funds Measure 1953 as amended by the Endowments and Glebe Measure 1976, the National Institutions Measure 1998, and the Miscellaneous Provisions Measure 1992. It represents the accumulated sale proceeds of glebe property, sale proceeds of parsonage houses and surplus benefice endowments following pastoral reorganisation. The main function of the fund is to produce income for stipends, but it may also be used for other purposes including: acquiring glebe property, developing and protecting glebe amenities, discharging loans and levies on glebe, improving parsonage houses and discharging any loans made by the Church Commissioners under the Endowments and Glebe Measure 1976. The funds may be invested in any investments fund or deposit fund constituted under the Church Funds Investment Measure 1958 or in any investments in which the trustees may invest under the general power of investment in section 3 of the Trustee Act 2000.

(b) Parsonage Building Fund

Parsonage building funds represent resources restricted to provision of benefice houses in the Diocese. They are represented by the benefice houses or by sale proceeds of former benefice houses held on suspense by the Church Commissioners. Although benefice houses are vested in incumbents for the time being of the benefices concerned, the BDBF is obliged to maintain them, to ensure that there are sufficient houses for the pastoral structure of the Diocese, and receives the sale proceeds of benefice houses surplus to requirements into its pastoral reserve.

(c) Other permanent endowments

Fund	Income purpose
Clergy Pensions Trust	To defray the cost of clergy pensions
Diocesan Mission Trust	Towards social responsibility work in the Diocese
Diocesan Education Committee Trust	Towards the work of the Board of Education
Diocesan Offices endowment	Towards the maintenance of Diocesan Offices
Parsonages Fund	Towards the maintenance of parsonage houses in the Diocese
Schools Maintenance Fund capital	Maintenance of CE voluntary aided schools in the Diocese
Younghusband legacy	Towards the augmentation of stipends
Gummer legacy	Towards the augmentation of stipends
Sir Francis Cowlin Trust	For the general purposes of the Bristol Diocesan Board of Finance
Bristol Diocese Clergy Holiday Trust	To assist with the holiday expenses of clergy

RESTRICTED FUNDS

(a) Meridian Hall Reserve

This reserve represents the properties known collectively as Meridian Hall which are held on trust for use as a hostel for overseas students.

(b) Urban Fund Reserve

This reserve was originally created by the receipt of donations for funding projects in urban areas of the Diocese, such as the projects originally supported by the Bishop of Bristol's Urban Fund and was augmented in 1995 by a donation of the residual funds of the Bishop of Bristol's Urban Fund. The reserve is held as cash on deposit.

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- (c) **Educational Foundations Capital Funds**
These funds result from the sale of redundant Church of England voluntary aided school property as directed by a Scheme under section 86(1) of the Education Act 1944, and subsequent orders made under section 2 of the Education Act 1973. They may be used for the provision, improvement or enlargement of Church of England voluntary aided schools in the Diocese of Bristol, and in the payment of any expenses incurred in the administration of the various foundations. In 2013, the constitution of these funds was amended to widen its scope to include academies and other Church of England schools in the Diocese.
- (d) **Educational Foundations Income Funds**
These funds result from accumulations of income arising from Educational Foundations capital funds. They may be used for the same purposes as the capital funds above.
- (e) **Schools Maintenance Income Funds**
These funds result from accumulations of income arising from the permanent endowment designated for maintenance of Church of England voluntary aided schools in the Diocese.
- (f) **Clergy Society Capital Funds**
These funds form the capital of the Bristol (Diocesan) Clergy Society and the Bristol Diocesan Sustentation Trust, both of which funds are part of the Bristol Diocesan Clergy Charities. They may be used for relieving diocesan clergy and their dependants who are in conditions of need, hardship or distress; and in advancing the education of children of diocesan clergy. The funds were substantially augmented in 2009, by the sale of a house, purchased in 1976 to provide accommodation for a retired clergyman, and no longer needed.
- (g) **Clergy Society Accumulated Income Funds**
These funds result from accumulations of income arising from the Clergy Society capital funds. They may be used for the same purposes as the capital funds above.
- (h) **Clergy Society Holiday Trust Accumulated Income Funds**
This trust originates in a gift of the late Horace Gummer in 1923, and its object is to assist with the holiday expenses of clergy, with preference being given to diocesan clergy; and, if the income cannot be applied as above, to relieve diocesan clergy and their dependants who are in conditions of need, hardship or distress.
- (i) **Uganda Funds**
These funds are from a legacy, received in 2015, to be used to provide scholarship funds for theological or ordination training in Uganda for those who are engaged in or preparing for service in the ministry ordained or lay of the Church of Uganda with special consideration being given to candidates from the Dioceses of Bukei, Mbale or North Mbale.
- (j) **Uganda (Deanery) Funds**
These funds are held on behalf of a number of deaneries in the Diocese to support their links with the Anglican church in Uganda.
- (k) **St Michael on the Mount Without**
These funds remain from those distributed to the BDBF in 2007, when the Diocese took responsibility for the church.
- (l) **Fresh Expressions**
The Crossnet Network Church was established in 2004. It meets in a non-church setting and draws its members from a wide area. The finances of this entities are separately maintained; however, at present they have no formal status and are therefore aggregated into these accounts.
- (m) **Parsonage Major Works**
Bishop Monk's Horfield Trust (BMHT) transferred 75% of its assets to BDBF in 2021. BDBF continued the fund treatment that had been imposed by BMHT upon transfer, which determined that two thirds of the fund would be allocated to parsonage repair (major) works.
- (n) **Release Fund**
Release is a leadership development programme that realises the potential of leaders – it releases their energy. The programme has been made possible by the receipt of funding from an anonymous donor.
- (n) **Bishop Monk's Horfield Trust Fund**
This fund was established in 2020, following the winding-up of the Bishop Monk's Horfield Trust.
- (o) **Daventry Road Fund**
This fund was established in 2020, following the determination of the proceeds of a property held in trust.
- (p) **Creative Arts Fund**
This fund was established by a generous donation in 2018, with the aim of creating a fund to support and invest in engagement with the creative arts by Anglican Churches in the Diocese of Bristol.

The Bristol Diocesan Board of Finance Limited

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for the year ended 31st December 2024

- (q) **Global Partnership / Uganda Trips Fund**
This fund represents amounts collected and disbursed in relation to trips by parishes in the Diocese to linked churches in Uganda, and other related activities.
- (r) **Transforming Church**
This fund is used to account for the restricted grant income toward TCT from SMMIB. It is restricted to use on TCT approved activity, as per the TCT SMMIB grant application and subsequent change requests.
- (s) **Strategic Development Funding**
This fund represents grants awarded by the Archbishops' Council, and associated expenditure, in relation the Diocese's strategic initiatives of establishing three Mission Areas in Avonside, Yate & Fromeside and North Wiltshire and two Resourcing churches at St Nicholas, Bristol and the Pattern Church in Swindon. This fund also includes strategic capacity funding awarded to the BDBF to support these strategic initiatives.
- (t) **Racial Justice Fund**
This funding is provided by the National Church Institution, Racial Justice Unit in the form of a grant. The fund is used to enable us to deliver the commitments made by the Bishop of Bristol in response to the death of George Floyd, the rise in interest in Black Lives Matter, the toppling of the Colston statue in Bristol and to respond to the proposed suite of actions highlighted in the From Lament to Action
- (u) **New Housing Areas Fund – Church Commissions Grant**
In 2010, the Diocese was awarded a grant of £500,000 from the Church Commissioners to provide ministry in new housing areas throughout the Diocese. During the early part of 2020, these funds were used to pay for a home/a school link worker in Patchway, North Bristol
- (v) **Church Building Support Officer**
This fund has been generated by grant income from the National Church, Buildings for Mission unit and is used to fund a Church Buildings Support Officer role who will fill an existing gap in the existing measures to promote the maintenance of church buildings and help to establish a proactive, not reactive, approach to maintenance. This will not only complement what is existing but improve the offer through a one-to-one approach and with simple and achievable plans created by the PCCs with the support of the Church Buildings Repair and Maintenance Support Officer.
- (w) **Benefact Trust (2022, 2023 and 2024)**
The Benefact Trust funds are established through a recurrent grant provided by the Benefact Trust. Each years' funding is identified in a separate fund, as the purpose of each grant may be different depending on our application. The 2022 fund was utilised to support clergy wellbeing and improved digital engagement. The 2023 fund was utilised to continue the work covered by the 2022 grant, in addition to an establishment of a fundraising database. The 2024 fund is a continuation of the above, in addition to a Dementia and Mental Health Advisor.
- (x) **New Town Innovation**
Funding for the Swindon New Town Innovation project is to achieve good growth in a traditional Catholic context using a methodology drawn from evangelical tradition. The target communities for Church engagement are:
- Families and young people
 - Young single people and couples living in the town centre
 - The Goan community
- (y) **Strategic Ministry Fund (SMF)**
The SMF represents grants from National Church which contribute partially to positions of first responsibility (PFR) and additional curate posts, usually over a period of several years.
- (z) **National Society – Flourish Fund**
The Flourish fund is provided by The National Society for the Promotion of Religious Education and will be used to create new worshipping communities, furthering its vision of becoming younger and more diverse. The Flourish network will establish partnerships between schools or colleges and their local churches, aiming to engage a large number of children, young people, and their families
- (aa) **Bristol Archdeaconry Charity**
BDBF applies for a grant with Bristol Archdeaconry Charity annually. The 2024 successful grant funding is used to fund the roles of Mental Health Advisor and Parish Development Advisor.
- (ab) **St Matthias Trust**
The St Matthias Trust fund support the Further Education work carried out by BDBF, specifically one employee and related expenditure.
- (ac) **Resource Ministerial Formation (RMF) Ordination**
The RMF Ordination fund is grant funded by National Church and the purpose of this fund is to support ordinands' training, including full-time residential and part-time training pathways.

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Notes to the Financial Statements

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UNRESTRICTED FUNDS

- (a) **Dame Violet Wills Legacy Fund**
This fund results from a general legacy to the BDBF by the late Dame Violet Wills. The BDBF has designated the fund's future use for children's and youth work, and the income arising from the capital sum is used for this purpose. The funds are invested principally in the CBF Investment Fund.
- (b) **Pastoral Reserve**
The pastoral reserve results from past accumulations of general fund income, transfers and sales of property for the BDBF's general use which the BDBF has designated as a general building fund. It incorporates the Diocesan Pastoral Account which is governed by the Mission and Pastoral Measure 2011.
- (c) **Diocesan Office Rental Fund – Capital**
This fund is used to produce income to pay the rental of the Diocesan Office in Stoke Gifford.
- (d) **Diocesan Office Rental Fund – Income**
This is accumulated income from the capital investment. The rent-free period at the start of the lease has been spread for accounting purposes over the first 10 years of the lease.
- (e) **Mission Fund**
This reserve represents allocations received from the Church Commissioners since 2002 under the Parish Ministry and Mission scheme. This money is allocated by the BDBF to mission initiatives.
- (k) **Growth Fund**
This reserve was also set aside from the General Fund surplus for 2005 and is being used to give grants to parishes, who wish to undertake new mission initiatives, but do not have sufficient funds to do so. Grants are being given over a limited period towards the employment costs of new positions, which can be shown to contribute to new mission initiatives within the parish.
- (m) **Transforming Church Together (TCT)**
As part of the TCT SMMIB application, BDBF committed to designating reserves toward the TCT project. Between 2023-2033, BDBF has committed to £4.5m of funding.
- (n) **Innovation Fund**
BDBF designated funds to support the Innovation project which is partially funded by an NCI grant. The designated funds contribute toward the cost of the project officer and council tax / water rates.
- (o) **General Reserve**
The general reserve represents accumulations from past general fund surpluses. The reserves policy for this fund is described in the Directors' Report.

25. CAPITAL COMMITMENTS

At 31st December 2024, the BDBF had commitments and potential commitments totalling £4,923k for the purchase of Clergy housing.

26. OTHER COMMITMENTS

During the 2022 calendar year the Charity agreed to underwrite the obligations of the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme as they fall due to the extent that they exceed the funds assets. Further details of the current position of the pension scheme can be found in note 30.

27. CONTINGENT LIABILITIES

At 31st December 2024, the BDBF had no contingent liabilities (2023 – none).

28. OPERATING LEASES

The following total amounts due under operating leases are as follows:

	2024 £,000	2024 £,000	2023 £,000	2023 £,000
	<i>Land & Buildings</i>	<i>Other</i>	<i>Land & Buildings</i>	<i>Other</i>
Operating leases				
Within one year	119	-	119	-
Within two to five years	148	-	267	-
After five years	-	-	-	-

The lease payments expensed during the year were £138,670 (2023 - £128,765).

29. POST BALANCE SHEET EVENTS

Two properties were purchased in January and February 2025, 27 Horse Leaze and Applehaze, both of which were included in the total number for note 25 above.

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

30. PENSIONS

Clergy pension scheme

The BDBF participates in the Church of England Funded Pension Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the BDBF and other Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, which were £0 in 2024 (2023: £0), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2023, following the valuation results being agreed, the deficit contributions paid were £0 (2023: £0).

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

1. An average discount rate of 2.7% p.a.;
2. RPI inflation of 3.6% p.a. (and pension increases consistent with this);
3. CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
4. Increase in pensionable stipends in line with CPIH;
5. Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates from 2013 in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded. Additional information is dependent on the next release of valuation data from the National Church.

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

	% of pensionable stipends
31 December 2021	7.1% payable from January 2021 to December 2022
31 December 2022	Nil
31 December 2023	Nil

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2023	2022
Balance sheet liability at 1 January	-	209,000
Deficit contribution paid	-	(120,000)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	(89,000)
Balance sheet liability at 31 December	-	-

* Comprises change in agreed deficit recovery plan, change in discount rate and inflation assumptions between year-ends.

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2023	December 2022	December 2021
Discount rate	n/a	n/a	0.0% pa
Price inflation	n/a	n/a	n/a
Increase to total pensionable payroll	n/a	n/a	-1.5% pa

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

Defined Benefit Scheme

Bristol Diocesan Board of Finance (the 'Employer') operates a defined benefit pension arrangement called the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme (the 'Scheme'). The Scheme provides benefits based on final salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined contribution schemes operated by the Employer.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Employer must agree with the Trustees of the Scheme the contributions to be paid to meet the Statutory Funding Objective.

The most recent comprehensive actuarial valuation of the Scheme as at 31st March 2023. As part of this valuation, a new Schedule of Contributions will be agreed with the Employer which could require higher or lower contributions to be paid than under the existing Schedule of Contributions. The next valuation of the Scheme is due as at 31st March 2026.

Under the existing Schedule of Contributions, the Employer expects to pay contributions of £30,000 in the year to 31st December 2025.

There were no plan amendments, curtailments or settlements during the period.

Profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is around 12 years.

Disclosures

Figures for disclosure in accounts for period ending 31st December 2022 under FRS102. Results are shown in pounds, rounded to the nearest £1,000.

Principal actuarial assumptions

The principal assumptions used to calculate the Scheme's liabilities include:

	2024	2023
Discount rate	5.40% pa	4.50% pa
Inflation assumption (RPI)	3.50% pa	3.30% pa
Inflation assumption (CPI)	2.50% pa	2.30% pa
Pension increase (RPI max 5% (LPI) pension increases)	3.30% pa	3.20% pa
Pension increase (Revaluation in deferment (CPI))	2.50% pa	2.20% pa
Post retirement mortality	95% of the S3PA tables with CMI 2023 projections using a long-term improvement rate of 1.5% p.a. The 2020 and 2021 weight parameters are nil and the 2022 and 2023 weight parameters are 15%	95% of S3PA with CMI 2022 projection and a long-term improvement of 1.5% pa. The 2022 weight parameter is 25%
	No allowance has been made for members to take tax free cash	No allowance has been made for members to take tax free cash

Assets

The Scheme's assets are invested in One Family's Pension Accumulation Fund, together with the surrender value of the one remaining small with-profit deferred annuity policy.

The assets do not include any investments in shares or property of the Employer.

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

Balance Sheet at 31st December 2024	2024 £,000	2023 £,000
Fair value of assets	512	489
Present value of funded obligations	(512)	(489)
Net defined benefit liability at 31st December 2024	-	-
Amounts recognised in the Statement of Financial Activity over the year	2024 £,000	2023 £,000
Current service costs	-	-
Administration costs	27	25
Interest on liabilities	19	24
Interest on assets	(23)	(24)
Past service cost	-	-
Settlement cost	-	-
Interest on effect of asset ceiling	3	-
Total	26	25
Remeasurements over the year	2024 £,000	2023 £,000
Loss / (gain) on scheme assets in excess of interest	27	24
Experience losses / (gains) on liabilities	1	(63)
Losses / (gains) from changes to demographic assumptions	(1)	(4)
Losses / (gains) from changes to financial assumptions	(42)	20
Losses/(gains) from change in effect of asset ceiling	50	-
Total remeasurements	35	(23)
The change in the assets over the period was:	2024 £,000	2023 £,000
Fair value of assets at the beginning of the period	515	473
Interest on assets	23	24
Employer contributions	61	85
Contributions by Scheme participants	-	-
Benefits paid	(33)	(18)
Administration Costs	(27)	(25)
Change due to settlements	-	-
Return on plan assets less interest	(27)	(24)
Fair value of assets at the end of the period	512	515
Actual return on assets (calculated using unrounded figures)	(4)	-
The change in the Defined Benefit Obligations over the period was:	2024 £,000	2023 £,000
Defined Benefit Obligations at the beginning of the period	448	489
Current service cost	-	-
Contributions by Scheme participants	-	-
Past service cost	-	-
Interest cost	19	24
Benefits paid	(33)	(18)
Change due to settlements	-	-
Experience (gain) / loss on defined benefit obligations	1	(63)
Changes to demographic assumptions	(1)	(4)
Changes to financial assumptions	(42)	20
Defined Benefit Obligations at the end of the period	392	448
Defined Contribution Scheme		

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

The BDBF operates a group personal pension plan (GPPP) for all new and existing employees of the Bristol Diocesan Board of Finance Ltd. As part of this scheme, the BDBF contracts to pay specific contributions to an individual employee's pension fund, based on a percentage of their salary. The amount the employee will receive in the future as a pension will depend on the investment performance of the particular funds assets. The BDBF has no other ongoing liability and the costs of providing the GPPP are charged to staff costs in the financial statements as the contributions payable. The total cost for the period was £156,000 (2023 - £156,000) and outstanding contributions as at 31st December 2024 amounted to £23,792 (2023 - £23,792).

31. PRIOR YEAR COMPARATIVE SOFA

	Unrestricted Funds	Restricted Funds	Endowment Funds	2023 £'000s
	£'000s	£'000s	£'000s	£'000s
Income and endowments from				
Donations				
Parish Share contributions	5,025	-	-	5,025
National Church Institutions	787	667	-	1,454
Other donations	355	119	-	474
Charitable activities	333	-	-	333
Other activities	321	-	-	321
Investments	638	752	-	1,390
Gains on sale of assets	-	-	-	-
Total Income	7,459	1,538	-	8,997
Expenditure on				
Raising funds	85	25	-	110
Charitable activities	9,831	1,066	641	11,538
Total expenditure	9,916	1,091	641	11,648
Net Income/(expenditure) before other gains	(2,457)	447	(641)	(2,651)
Allocation of net proceeds to parish	-	-	(1,819)	(1,819)
Net gains on investments	889	560	4,209	5,658
Net income	(1,568)	1,007	1,749	1,188
Transfer between funds	373	(577)	204	-
Actuarial gains/(losses) on pension schemes	(44)	-	-	(44)
Net movement in funds	(1,239)	430	1,953	1,144
Total funds as at 1st January 2023	21,149	9,824	42,321	73,294
Total funds as at 31st December 2023	19,910	10,254	44,274	74,438

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

32. RELATED PARTY TRANSACTIONS

All Related Party Transactions were at arms length and none were outstanding at the year end unless disclosed below. Please note that Related Party transactions listed below exclude money provided by Parishes to the BDBF in the form of Parish Share which are accounted for under Parish Contributions under Note 3 above.

The Foundation St Matthias (registered charity number 311696) is administered by the COO and clerk/Administrator (who became employees of the Trust from October and November 2022, respectively). Formerly, all affairs were administered by St Matthias Administrator (an employee of BDBF). BDBF no longer provides admin services for St Matthias. In 2023 the BDBF received £42,636 for these services. The Bristol Diocesan Board of Education received grants totalling £76,500 (2023 - £61,000), funding the diocesan resource centres, providing in-service training and training resources for teachers.

Diocese of Bristol Academies Trust (DBAT) is a separate legal entity. From October 2020, DBAT ceased to be administered from the BDBF's registered office. DBAT was invoiced £5,625 toward rent of school land at Lydiard Millicent in 2024 (2023 - £7,500) and £0 toward training resources / conferences (2023 - £275). Additionally, BDBF paid £1,000 to DBAT for trees and curates tour/lunch (2023 - £118 DBA Foundation Training).

The Diocese of Bristol Academies Trust is closing in 2025. The 15 CE schools have already been transferred to three existing multi academies trusts. While members of the BDBF sit within DBAT and trustee boards, the BDBF has not financial liabilities to DBAT.

The Dean of **Bristol Cathedral** is one of the BDBF's directors and Bristol Cathedral has multiple customer and supplier accounts with BDBF as follows:

Dean and Chapter of Bristol Cathedral paid BDBF £1,314 toward DBS checks and training (2023 - £472).

BDBF paid Bristol Cathedral £6,737 contribution towards Racial Justice and All Gods Children work and £90 for meeting refreshments (2023 - £2,030).

Bristol Cathedral Choir School paid BDBF £465 for conferences 2024 (2023 - £225).

Cathedral Schools Trust paid BDBF £0 in 2024 (2023 - £100 – for training and conferences) and BDBF paid £0 in 2024 (2023 - £1,212 for recharge of VVV costs)

Bishop Faull (president of BDBF), Mandy Ford and Richard Bacon are also a trustees for Cathedral Schools trust.

National Church of England (CoE) has significant influence over BDBF. During 2024 BDBF received significant grants from CoE against their customer account for the following:

Strategic Capacity Fund - £1,236,413 – used to fund TCT activity (2023: £467,410)

Strategic Development Fund - £139,325 – used to fund Mission Areas & Resourcing Churches project (2023: 3182,729)

Innovation Fund - £15,955 – used to fund Innovation project (2023: £55,474)

CBSO Grant - £25,661 – used to fund the Church Buildings Support Office (2023: £0)

Pension recharge - £0 (2023: £744)

BDBF paid:

SIAMS contribution £5,500 (2023: £5,500)

AADE conference attendance £0 (2023: £240)

Swindon CCRC Trust (also known as Pattern Church) has a shared trustee in Katherine Smith. In 2024 Swindon CCRC Trust paid BDBF £368 for training courses and DBS checks (2023: £215) and £7,222 for insurance premium
BDBF paid £823 for venue hire in 2024 (2023 £484, plus £33,920 for an insurance claim)

University of West of England (UWE) employs a chaplain who is paid by BDBF, and the Chair of BDBF (Richard Bacon) is also the Chair of Governors for UWE. In 2024, UWE paid BDBF a contribution of £33,381 toward the chaplains stipend this included £10,560 relating to prior years and £4,275 relating to 2025 (2023 - £19,175).

Dorcan Church, Swindon has a shared trustee in Trudie Wigley. In 2024 BDBF paid Dorcan Church £7,000 for Growth Grant and £70 for Safeguarding training (2023: £0)

St Paul's PCC Chippenham has a shared trustee in Julia Childerhouse. In 2024 St Paul's were invoiced £245 for DBS checks and paid £829 for BDBF loan (2023: £144 for DBS checks and £2,338 for the BDBF Loan).
BDBF paid St Paul's £0 in 2024 (2023: £150 Archdeacon visit and £370 for room hire).

Leaf Academy Trust has a shared trustee in Elizabeth Townend. In 2024 The Leaf Academy Trust paid the BDBF £120 for a conference place (2023: £0). BDBF paid The Leaf Academy £984 for two students to attend the CST annual conference (2023: £0).

Church Commissioners has a shared trustee in the Bishop Faull. In 2024 BDBF paid the Church Commissioners £31,585 on interest for value linked loans (2023: £30,312), £972 for online facility system (2023: £779), £0 for conferences and housing allowance (2023: £300, £16,845)

PCC Malsbury with Westport and Brokenbrough has a shared Trustee with John Sunderland.

The PCC paid £0 for insurance premiums in 2024 (2023: £599)

The BDBF paid for the following:

Lay appointment grant £6,600 (2023: £6,600)

NWMA Youth 50% cost reimbursement £29,412 (2023: £13,584)

Athelstan Pilgrim Way Grant £2,000 (2023: £0)

Refreshments £87 (2023: £0)

32. RELATED PARTY TRANSACTIONS CONTINUED

The Bristol Diocesan Board of Finance Limited

Notes to the Financial Statements

for the year ended 31st December 2024

PCC St Mary's Almondsbury has a shared Trustee with Clare Jefferis.
In 2024 the PCC paid £0 for DBS checks (2023: £38)

The Church of England Pension Board (CEPB) has a shared trustee in Trudie Wigley. In 2024 BDBF paid the CEPB £1.2m in payment for pensions (2023: £0.8m)

Network Counselling and Training has a shared trustee in Simon Taylor.
In 2024 the BDBF paid £0 (2023: £50 for room hire)

33. FUNDS HELD AS CUSTODIAN TRUSTEE

By virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners' schemes, the BDBF is the Diocesan authority over certain assets held on permanent trusts, where the managing Trustees are parochial church councils or others. In doing so the BDBF furthers its charitable objects to promote and assist the work and purposes of the Church of England in the Diocese of Bristol.

In February 1998, the Charity Commissioners issued a scheme making the BDBF the sole Trustee of the charity known as the Bristol Diocesan Clergy Charities. The accounts of this charity have been aggregated into these financial statements as they are administered by the BDBF and held for specific purposes which are within the general purposes of the BDBF and are not therefore part of the Funds held as Custodian Trustee below.

These assets have not been consolidated in these financial statements, since the BDBF does not control them. The number of trusts whose assets are held as custodian trustee are too numerous for individual disclosure.

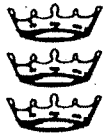
The financial assets held in this way can be summarised as follows with a like-for-like 2023 comparison:

	2024 £'000s	2023 £'000s
Investment	12,493	12,348
Deposit Account	337	311
Property	386	397
Fixed Interest	75	73
Global Equity Income	1,365	1,332
Other	1,107	1,083
	<u>15,763</u>	<u>15,544</u>

THE BRISTOL DIOCESAN BOARD OF FINANCE LIMITED

England & Wales - Charity number 248502

Accounts



Diocese of Bristol

The Bristol Diocesan Board of Finance Limited Annual Report & Financial Statements for the year ended 31st December 2023

Registered Office: Hillside House, 1500 Parkway North, Stoke Gifford, Bristol BS34 8YU
0117 906 0100 | www.bristol.anglican.org |
The Bristol Diocesan Board of Finance Limited | Reg. in England: Charity 248502, Company
156243

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The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2023

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 31st December 2023.

The Trustees and Directors are one and the same and in signing as Trustees they are also signing the Strategic Report sections in their capacity as Directors.

This combined report satisfies the legal requirements for:

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

The Financial Statements have been prepared in accordance with statutory requirements prevailing at 31st December 2023, with the requirements of the Charity's governing document, its Memorandum and Articles of Association, and with the Charities Statement of Recommended Practice (FRS102). Where possible, the guidance issued in the Diocesan Annual Report and Financial Statements Guide by the Diocesan Secretaries' Liaison Group has been followed.

LEGAL OBJECTS

The primary objective of the Bristol Diocesan Board of Finance ("the DBF") is to promote and assist the work and purposes of the Church of England in the Diocese of Bristol.

The DBF has the following statutory responsibilities:

- The management of glebe property and investments to generate income to support the cost of stipends arising from the Endowments and Glebe Measure 1976;
- The repair of benefice houses as the Diocesan Parsonage Board under the Repair of Benefice Buildings Measure 1972;
- The management of investments and the custodian of assets relating to church schools under the Diocesan Boards of Education Measure 1991 and the 2011 Act; and
- The custodian of permanent endowment and real property assets relating to trusts held by Incumbents and Churchwardens and by Parochial Church Councils (PCCs) as Diocesan Authority under the Incumbents and Churchwardens (Trusts) Measure 1964 and the Parochial Church Councils (Powers) Measure 1956.

STRATEGIC DEVELOPMENT REPORT

BACKGROUND

The landscape in 2023 continued to be very challenging. The nation, and the Church, continued to feel the impact of the Russian invasion of Ukraine, the conflicts in the Middle East, and historically high inflation. Whilst interest rates gradually reduced, poverty, homelessness and NHS waiting lists increased, the need for us to give hope, and to witness Christ's love, became ever more important. The pressure on our ministers, parishes and schools continues to be significant and unrelenting. In addition, there was considerable movement amongst the senior leadership in the Diocese, with transitions of the Suffragan Bishop and Archdeacons, two SLT directors, and in the Bishop's Office. The OFSTED judgment on the Deanery School in late 2023 also contributed to the sense of inordinate challenge, and difficulties in managing the impact of external forces.

Nevertheless, throughout the year the Diocese of Bristol has continued to work tirelessly to implement the new strategy and to support Christian witness in our communities through its ministers, parishes and church schools. In material terms, this has seen the governance, planning and staffing of the majority of TCT projects ramping up, and greater clarity on detailed plans and expenditure. Overall, the project status is 'amber' with parish engagement, parish share, and income generation the key areas of concern going forward.

STRATEGIC AIMS AND IMPLEMENTATION

We have entered the first year of implementation for Transforming Church. Together (T.C.T)

Our vision

Humanity reconciled; creation restored.

Our mission

To follow Jesus, to serve others, and to transform communities.

Our values

Openness: we value openness, and are loving and open to all

Generosity: we value generosity, and receive and give sincerely

Creativity: we value creativity, and we cooperate with the work of the Spirit

Bravery: we value bravery; we are courageous with our voices and our actions

After many months of workshops, co-creation and discernment, Diocesan Synod approved the TC.T Strategy in March 2021. Our four Strategic Outcomes are:

- To have a form of church in every community, and a church in which all can participate, thrive and belong,
- To have people who worship God in every aspect of their lives, and throughout their whole lives,
- For the diocese to be recognised as a powerful force for gospel change,
- For the diocese to be sustainable, financially and environmentally.

To achieve these outcomes, we discerned that we need to undertake 12 strands of activity in the years ahead. We will work towards:

Forms of Church to best serve our communities	Ensure we have the right form of church, in the right place, with the right support.
Church Buildings to serve our communities	Better utilise our church properties, for mission and income generation.
Releasing our Ministers to flourish and thrive	Provide better administrative support, intentional deployment, and vocational wellbeing.
Build pathways into deep, lived-out Christian faith	Through a Diocesan Rule of Life, workplace way-finders, local discipleship and evangelism, pilgrimage, and Parish/Deanery 'Missions'.
Develop our Volunteers	Provide better recruiting, induction, and support, to grow both capability and numbers.
Engage Under 25's	Through Resourcing Churches (RCs), Mission Areas (MAs) and Chaplaincies; to increase engagement and encourage participation.
Support Priority (Low Income) Communities	Invest with precision, revitalise the estates' network, increase Ministry deployment, provide targeted administrative support, and develop the next generation of officers and ministers.
Communicate and deliver positive change against injustice	Create 'campaign partnerships', identify relevant campaigns against injustice, and deliver them locally, regionally and nationally.
Inclusion and Racial Justice	Deliver our racial justice commitments and better include under-represented communities.
Build Income	Make better use of our balance sheet / investments and build novel income generation/fundraising capabilities.

Build Partnerships

Create partnerships with public, private and third sector organisations to support 'campaigns', generate income + benefits in kind, and attract new volunteers/disciples.

Achieve Carbon Net Zero 2030

Deliver physical and behavioural change to achieve environmental sustainability.

OBJECTIVES, ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

Funding, Planning, and Financial Trajectory

The TC.T Programme Team stood up in 2022, and undertook detailed planning for implementation in 2023. The team also generated plans for the governance, monitoring and reporting, and communications of the programme. The Diocese also undertook a swathe of recruitment for the programme, nearly 85% of which were for parish, or parish-facing roles.

Throughout the year, close attention has been paid to expenditure and cost control and the appropriate releases of investment funding, whilst the central team re-shaped itself to prepare to implement TC.T.

Ministry in the Diocese

Parish ministry is at the heart of the what the Diocese of Bristol does, in serving the many and varied communities in and around Bristol, Chippenham, South Gloucestershire, North Wiltshire and Swindon. Through the work of our parishes, deaneries, Bishop's Mission Orders, and aided by the Diocesan Support Services Team, this collective work strives to provide a visible Christian presence in every community in the Diocese.

Whilst there will always be short-term fluctuations, the DBF is committed to maintaining the overall numbers of stipendiary clergy for the duration of the next five years. 2023 saw a significant improvement in the robust maintenance of these numbers. At the end of 2023, 200 Clergy were licensed across the Diocese of Bristol's 166 parishes, 100 benefices, 5 Bishop's Mission Orders and Bristol Cathedral (2022: 192 Clergy). Of these clergy, 133 (2022: 133) were in stipendiary ministry (or other paid ministry) and 67 (2022: 59) were self-supporting ministers (SSMs). There were also 31 (2022: 27) Anglican clergy licensed to institutions as chaplains, 110 (2022: 111) clergy holding the Bishop's Permission to Officiate and 154 (2022: 157) Licensed Lay Ministers (LLMs). In 2023, the DBF paid an average of 112.3 full-time equivalent stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese (2022: 111). In 2015, the comparative figure was 105.

Mission Areas and Resourcing Churches

An integral part of parish ministry in 2023 has been the work of the three mission areas and two resourcing churches that were established under the 'Creating Connections' 2016 to 2020 strategic plan.

The mission areas at Avonside, Yate & Fromeside and North Wiltshire continue to prove the benefits of working across boundaries, collegiality and shared financial support. Despite continuing challenges, financial giving in churches across the Mission Areas and Resourcing Churches grew to almost £1.3m in 2023, a rise of over 16% compared to the start point, and a contrast to national trends. The resourcing churches at St Nicholas, Bristol and the Pattern Church in Swindon had continued to be agile and adaptive, with a strong focus on invitation and outreach.

One of the principal outputs of the resourcing churches has been the successful plans to plant and establish wider congregations. The Well, Swindon (planted in 2021) has outgrown its current school premises, and is relocating to larger premises shortly, to support its growing range of ministries that serve the local community. In September 2022, St Nicholas, Bristol, was planted on the site of the old Filton airbase on the border of Bristol and South Gloucestershire. Launched in 2022, Concord Church (referencing the area's innovative aerospace heritage) has a claim to be the first church launched during the reign of King Charles III.

We have continued to regularly review learning from both the mission areas and resourcing churches in order to inform work being done under Transforming Church. Together.

Climate Emergency

At its Diocesan Synod in November 2019, the Diocese of Bristol became the first diocese in the Church of England to declare a 'climate emergency' and commit to reach net zero carbon emissions by 2030. This declaration is supported by a Diocesan Environment and Climate Justice Policy that made the seven commitments and marked the start of a journey towards the Diocese becoming carbon net zero by 2030. The Church of England General Synod followed this commitment to a net zero by 2030 target, when it also declared a climate emergency at its February 2020 meeting.

Since then, there has been significant progress, and a comprehensive plan was submitted to Diocesan Synod in February 2023, followed up by a bid for support from the National Church. The Diocese is serious about reaching the target and will utilise reserves, as necessary, to fund it.

Racial justice

The Diocese has continued to work on the Bishop's Racial Justice commitments to:

- Acknowledge and repent of the Church's past involvement in and benefit from the slave trade;
- Challenge and address institutional racism, listening to and learning from the experiences of Black, Asian and minority ethnic people;
- Recruit and support more Black, Asian and minority ethnic clergy, staff and volunteers;
- Make our churches truly welcoming to everyone, taking responsibility for the need for profound cultural change in our Church; and
- Work with others in the Diocese of Bristol and the Church of England to bring these things about.

In 2023 we:

- Appointed a Racial Justice Project Officer using external funding awarded
- Delivered training programmes to clergy and staff
- Selected a clergy person to become the racial justice co-ordinator in 2024
- Made plans to start a consultation in 2024 on All Saints Corn Street
- Commissioned the University of Bristol to research the origins of our Diocesan Reserves

Safeguarding

In 2023 the team were engaged in implementing our safeguarding action plan (following Past Case Review 2), and also acting as a pathfinder diocese to address recommendations 1 and 8 of the Independent Inquiry into Child Sexual Abuse (IICSA) Report (in order to contribute the improvement of safeguarding arrangements in the Church as a whole). This included support to the Diocesan Safeguarding Officer and the safeguarding team from a regional safeguarding lead, who also explored opportunities for sharing best practice and collaboration across dioceses.

The Diocese volunteered to be an early participant alongside Bristol Cathedral in the independent safeguarding audits of dioceses and cathedrals. The audits will be conducted by the independent INEQE Safeguarding Group, and the initial phase of information gathering and submission commenced in November 2023. The final report for Bristol will be published during the summer of 2024.

All Diocesan policies, procedures, guidance and supporting documentation were reviewed and updated. The Safeguarding pages of the Diocesan Website were updated and restructured with the revised information. The new National Safeguarding Standards were issued in October 2023. These will be implemented and embedded across the church over the coming 2-3 years.

During the year, 2,484 people engaged with safeguarding training either via the e-learning portal or in face-to-face courses (2022: 1,569); 1,042 DBS applications were processed (2022: 1,559) and all new cases were recorded on the national case management system utilising the new national categorisation system. The Safeguarding Annual Report for 2023 will be published on the Diocesan website when signed off by the Diocesan Safeguarding Steering Group.

Conclusion

The Directors believe that all the above shows that the DBF delivers significant public benefit by working with ministers, parishes and schools to be a Christian witness at the centre of their communities, whilst continuing to reduce the size of the operating deficit, and Transforming Church Together.

FUTURE PLANS

During 2024, the Diocese will:

- Continue to implement TC.T and provide world class support to Ministers, Parishes and Schools so they can follow Jesus, serve others and transform communities,
- Implement Total Return Accounting,
- Undertake the External Audit of Safeguarding,
- Finalise plans for the Priority Communities Network Project (PCN) and elicit Strategic Mission Ministry Investment Board (MMIB) funding,
- Focus on clergy and parish engagement with TC.T,
- Strive to improve performance in Parish Share and Income Generation.

FINANCIAL REVIEW

Financial results analysis

In November 2022, Diocesan Synod approved DBF expenditure totalling £11,198,000 for 2023, which included other funds and DSF capital expenditure (2022: £10,154,000). The budget presented to Diocesan Synod showed expenditure outstripping income by £909,000. However, similarly to 2022, £250,000 of this budgeted expenditure constitutes improvement works to property and is being funded by the Diocesan Stipends Fund (DSF) Capital Fund, so this effectively means that DBF's operational budget was in deficit by £659,000.

This budget reflected a desired level of Parish Share (the financial contributions made by parishes to the DBF) for 2023 of £5,500,000. By the end of 2023, gifts of Parish Share totalled £5,025,000 (2022: £5,262,000). This amount included gifts toward earlier years of £7,000 (2022: £76,000) and additional gifts from parishes of £31,000 (2022: £54,000) made above and beyond the original pledges made.

In terms of other income, fees from occasional office (weddings, funerals, etc.) was on budget and investment income was marginally lower than expected. Overall grant income was £871,000 below budget and much of this related to the timing of Strategic Development Fund (SDF) TCT grants and corresponds to a lower level of expenditure on 'other parochial ministry' costs. A fundraising budget of £100,000 was set for 2023, but no progress was made toward this due to delays in establishing the required infrastructure. Accordingly fundraising targets have been postponed until mid-year 2024, as the fundraising team is established. The National Church reimbursed DBF £299,000 toward TCT during 2023, paid in arrears, in-line with SMMIB-funded expenditure.

Actual expenditure was £13,466,000, which was £2,268,000 above budget and £3,312,000 above 2022. As expected, the DBF's largest area of expenditure during 2023 was the cost of clergy stipends (£2,945,000 2022: £2,825,000) which was £55,000 over budget, primarily due to lower than anticipated vacancy rates.

Another major area of expenditure during 2023 was housing costs of £1,997,000, 2022: £1,958,000) which saw a continued investment in the maintenance and improvements to parochial property resulting in an overspend of £333,000, and includes additional expenditure agreed with the Finance Committee during the year for asbestos & legionella surveys of £73,000. The DSF "investment expenditure" budget was set at £250,000 for the year, but actual expenditure was £641,000 – exceeding the budget by £391,000 in total, accounting for all the overspend against housing costs. Additionally, an accrual for the transfer of funds related to the sale of 17 Oakfield Road (£1,819,000) has been recorded under the line "Allocation of net proceeds to parish" in the Statement of Financial Activities. The Open Churches line represents expenditure that hadn't been budgeted.

Strategic transformation expenditure (including TCT and Director of People & Safeguarding salary) was £989,000 for the year, and although this expenditure did not exceed the budget of £1,094,000 it was anticipated when the budget was set that this expenditure would be largely grant funded. However, as TCT has been slower to get running due to difficulty recruiting TCT roles and bringing new staff up to speed with project plans,

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the strategic transformation expenditure has mostly been DBF funded, and includes £490,000 expenditure against the carbon net zero workstream.

Other areas of expenditure that created notable variances includes Finance & Information Services which exceeded budget by £121,000, due to the investment in re-structuring and improving the finance function and chart of accounts, the Diocesan Office Function cost was £329,000 due to a combination of recruitment costs that hadn't been included in the budget (£65,000), an overspend of £34,000 against office rent (due to unaccrued office rent in 2022) and Interim Finance Director consultancy earlier in the year (£60,000), as well as higher than anticipated legal costs.

The 2023 net operational income before other funds was therefore a deficit of £2,651,000 (2022: deficit of £567,000). However, this is before adjusting for the later than budgeted start to TC.T and certain spending items agreed to be funded from specific investments and general funds. These are better explained in Table 1 below and its accompanying notes.

In 2023, the net capital gains / losses includes realised and unrealised gains from the sales of properties (Box Vicarage, 285 Bedminster Road, Colerne Rectory, 287 North Street and 17 Oakfield Road), revaluation of Glebe (£510,500), in addition to revaluation gains on investments. Additionally net capital gains and losses includes the aggregation of gains on investments for the Education Foundation (£579,000) which funds grants to church schools including the Diocese of Bristol Academies Trust (DBAT) and investment gains for Clergy Society (£160,000), which provides small welfare grants to clergy on a case-by-case basis.

Financial results like-for-like comparison to Budget

TABLE 1 - ACTUAL vs BUDGET 2023	2023				2022
	SYNOD BUDGET SOFA FORM £'000s	BUDGET ADJUSTED Note A £'000s	ACTUAL £'000s	VARIANCE TO ADJUSTED BUDGET £'000s	ACTUAL £'000s
INCOME					
Parish Share	5,500	5,500	5,025	(475)	5,262
National Church Institutions	2,063	1,387	1,454	67	1,240
Other Donations	737	537	474	(63)	678
Charitable Activities	324	324	333	9	339
Other Activities	319	319	321	2	436
Investment Income	1,341	1,341	1,390	49	1,205
Other Sources of Income	5	5	-	(5)	424
TOTAL INCOME	10,289	9,413	8,997	(416)	9,584
EXPENDITURE					
Cost of Raising Funds	(100)	(100)	(110)	(10)	(155)
Charitable Activities	(8,743)	(8,067)	(8,883)	(816)	(8,111)
Education	(440)	(440)	(404)	36	(386)
Other Expenditure	(70)	(70)	27	97	235
Support Costs	(1,846)	(1,846)	(2,278)	(432)	(1,734)
TOTAL EXPENDITURE	(11,199)	(10,523)	(11,648)	(1,125)	(10,151)
NET OPERATING DEFICIT	(910)	(1,110)	(2,651)	(1,541)	(567)
FUNDING FROM DSF/OTHER FUNDS					
Accelerated property spend (Note B)	-	-	641	641	
Accelerated ministry spend (Note C)	-	-	109	109	
Finance/Systems Upgrading (Note D)	-	-	550	550	
Ministry spend from internal Funds (Note E)	300	500	700	200	
ADJUSTED NET DEFICIT	(610)	(610)	(651)	(41)	

Notes to Table 1

Note A- Adjusted Budget Column: In order to give a better like-for-like analysis, the Diocesan Budget 2023 Adjusted column reduces the income and expenditure of the original Budget for delays in the launch of the TC.T project and associated work. The income line for National Church Institutions and the Charitable Acts expenditure line have been reduced by £676,000, while Other Donations have been reduced by £200,000.

Note B- Accelerated Property Spend: The Budget assumed a property spend over several years to help meet property compliance and Net Zero required spending outside the Budget lines. The Diocesan Property Team were able to accelerate this.

Note C- Accelerated Ministry Spend: In order to ensure clergy numbers were maintained and vacancies kept low, unbudgeted spending on stipend and clergy care was permitted and paid out of General Funds.

Note D- Finance/Systems upgrading: During 2023 there was a large unbudgeted spend on Finance, Information Technology (IT) and systems support. This included the employment of an Interim Finance Director, contractors, recruitment costs, systems upgrades for the 2022 accounts and management reporting. These costs were increased by inflation and more challenging compliance requirements. Work also started on obtaining a local IT service provider to replace the national churches provision, which is being withdrawn.

Note E- Remaining Ministry Costs: Costs not covered by Income funded by Stipendiary and Other Funds

Significant Property Transactions

The DBF spent £641,007 (2022: £429,000) on necessary improvements to benefice houses in the year from the Diocesan Stipends Capital Fund. The Diocesan Stipends Capital Fund is available for providing and improving benefice and glebe properties and when invested provides income for clergy stipends. During 2023, within benefice housing, three surplus properties were sold and one new property acquired for the needs of ministry. These properties all sit within Tangible Fixed Assets in the accounts - see note 16 of the Financial Statements for more details. Three properties classified as Investment Properties were sold in 2023 – see note 19 of the financial statements for more details. One of the three properties was Oakfield Road, on which it was cleared after sale that the net cash proceeds should be transferred to the relevant parish. See notes 10, 22 and 23 to the financial statements.

After the year end, the DBF acquired The Abbeymeads Church in March 2024. See note 34 of the financial statements.

Balance sheet position

The Directors consider that the balance sheet together with details in note 28 show broadly that the restricted and endowment funds are held in an appropriate mix of investments and current assets given the purposes for which the funds are held.

During 2023, net assets have increased, totalling £75,252,000 at the balance sheet date compared to £73,294,000 at the end of 2022. While there was a significant operating deficit in 2023, this was counteracted by a larger increase in the value of investments of £6,472,000 which reflected the relevant market performance in 2023 including the realisation of some of that benefit through asset sales. It is worth highlighting that within net assets total, are properties, mostly used for ministry, whose value amounted to £34,108,000 (2022: £33,969,000). Of the net assets shown in the balance sheet, £45,088,000 are held in endowment funds and a further £10,254,000 in restricted funds and cannot be used for the general purposes of the DBF.

Reserves policy

The reserves policy of the DBF applies to three distinct levels of its operations.

On one level, the policy is to ensure sufficient funds are available to maintain the smooth, ongoing operations of the DBF. The management of these reserves helps the DBF to ride out daily cash flow requirements, which can be quite substantial considering that the largest item of expenditure (clergy stipends) is paid monthly but the largest income source (Parish Share) tends to come in unevenly across the year overall.

On a second level, the policy is to maintain the minimum level of cash and liquid assets in order to permit the DBF to fulfil its immediate financial commitments and effect a smooth transition should a major change or disruption occur to its operations.

Finally, the policy is to maintain sufficient invested reserves, in order to minimise the call made on parishes to support the work of the Diocese. The annual cost of ministry and related support costs are not wholly covered by annual Parish Share receipts in the DBF budget and a significant factor in bridging this gap is the income generated by historic reserves. The DBF is willing to use its reserves to invest in future ministry and support the Diocese's strategic initiatives, with a view to these becoming self-sustaining over time.

The total of unrestricted funds (designated and undesignated) at 31st December 2023 amounted to £19,910,000 (as shown in note 28), of which £8,904,000 was held in marketable securities and £12,237,000 is tied up in tangible fixed assets (as shown in note 28), which is sufficient to meet this policy.

The required reserves figure (based on the first two levels above) is estimated to equate to at least three months of general fund (designated and undesignated) expenditure and would amount to approximately £2,479,500. At 31st December 2023, net current assets were £7,583,000 (this amount includes all unrestricted investments, general fund current assets and general fund creditors, as shown in note 28). The comparative figure for 2022 was £9,450,000. Successive operating deficits over recent years and the purchase of various properties reduced the DBF's liquid assets and the DBF renewed and drew down on a £2m bank borrowing facility in September 2021 as a result. This loan is being repaid on a quarterly basis over the period July 2022 to September 2024. The DBF's cash flow continues to be monitored closely. The DBF has a number of other endowment and restricted funds which are represented by investments and fixed assets. The purpose of these funds is detailed in note 29 of the financial statements.

Grant making policy

In 2023, the DBF made a grant of £502,905 (2022: £251,000) to the Archbishops' Council of the Church of England, as a contribution towards the costs of supporting the National Church Institutions, grants and contributions to other organisations and mission agencies' pension contributions; details of the amounts paid are shown in note 13. Bristol Diocesan Clergy Charities makes grants to diocesan clergy and their dependants, who are in conditions of need, hardship, or distress; to advance the education of children of diocesan clergy; and to assist with the holiday expenses of clergy. Other grants made from time to time by the DBF are approved by the Directors in each year's budget.

Loans policy

Historically the DBF advanced loans to parishes largely to facilitate fabric works in support of their overall mission and ministry. Interest-free loans of up to £10,000 have been made from DBF funds, with larger loans being obtained through the CBF Diocesan Loan Scheme (now closed), or directly from the DBF's own funds, subject to availability and eligibility criteria. These are considered to be concessionary loans in accordance with Section 34 of FRS102 and further details can be found in note 20 of the financial statements.

Investment policy and financial instruments risk

The DBF has power to invest funds not immediately required for operational purposes in such concerns, securities, or properties as it thinks fit. These investments constitute the bulk of the financial instruments risk for the DBF (with the financial instruments risk attached to cash, debtors and creditors being immaterial). The management of this risk is set out below. The Directors have resolved to invest such funds mainly within the various CBF Funds, managed by CCLA Investment Management Limited, which also operates the ethical investment policy of the National Church Institutions. The overall investment objective is to maintain long term real (i.e.net of inflation) capital value; maximise total return (income and capital), with medium risk. The DBF has also committed to a fossil-free investment portfolio. The Finance Committee monitors investment performance through quarterly reports from the Investment Advisers. The majority of investments are held as permanent endowments for the long-term and therefore the Directors' investment advisers continue to recommend no material change to the current investment strategy. The investments held and their returns during the year are set out in the following table:

	Funds at 31 st December 2023 £'000s	Proportion of portfolio	Income yield in year	Total Return* in year (gross)
CBF Investment Fund	23,096	60.67%	2.73%	10.09%
CBF Global Equity Fund	9,613	25.25%	2.48%	17.75%
CBF Property Fund	2,267	5.96%	5.31%	-1.14%
CBF Fixed Interest Fund	655	1.72%	2.14%	7.81%
Other investments	2,437	6.40%	5.30%	31.51%
	38,068	100.00%		*Capital and income

Connected Charities

Many of the Directors and Trustees are involved with charitable bodies which are potentially beneficiaries to or from the DBF and a register is kept of these involvements. The Directors are mindful of their duties as Trustees of this charity and ensure that possible conflicting interests are declared and that all decisions are reached on a proper basis. Details of the DBF's transactions with those charities are provided in Note 37 to the Financial Statements.

Grants Received

The DBF is thankful to the various grant-making bodies that have supported the work of the Diocese of Bristol during 2023. Significant grants were received by the DBF during the period, including £1,454,277 (see Table 1 above) from National Church Institutions (NCIs) in the form of LINC Funding (£450,000), Strategic Ministry Funding (£337,095), Strategic Capacity Funding (£293,056) and Strategic Development Funding (£252,850) in addition to less significant NCI grants totalling £121,515. In addition to the NCI grants, DBF also received significant grants from the Temple Ecclesiastical Charity (£172,000) and Benefact Trust (£112,875).

Further details of grants and donations received in the year are shown in note 3 of the Financial Statements.

Directors

None of the Directors have received any emoluments from the DBF in their capacity as Directors or for services to the DBF. However, included in clergy stipends are the emoluments and expense reimbursements of certain Directors who have been paid in respect of their duties as clergy. Note 14 to the accounts details transactions with the Directors during the year. As in previous years, the DBF has maintained insurance cover against losses arising from claims against it for wrongful acts committed by its Directors and officers.

Charitable contributions

Charitable contributions have been paid as normal expenditure in the pursuance of the DBF's objects. No political contributions have been made.

Taxation status

The DBF is a registered charity and, as such, is able to claim certain exemptions from Corporation Tax. No provision for tax is considered necessary.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors, through an Audit and Risk Committee, which normally meets three times per year, have continued the process of examining the major strategic and operational risks which the DBF faces. They hold and monitor a register of the significant risks, assessing the probability of occurrence and likely impact if they were to occur.

In 2023, the Audit and Risk Committee continued to use the framework for identifying and managing risk that was adopted in 2017. This framework requires the Directors to set their corporate appetite for risk in four areas (finance, reputation, engagement and operations) and has been designed to provide clarity about the operational and strategic risks facing the DBF. The impact and likelihood of each risk have been scored and the top scoring risks above the appetite of the Directors are as follows, along with their mitigation strategies:

Income from Parish Share is insufficient to meet the financial commitments and the strategic plans of the Diocese.

Mitigation:

- Embed the new approach to Parish Share, with active engagement with parishes;
- Sustain the roll-out of stewardship initiatives and tools to encourage generosity (e.g. Parish Giving Scheme, contactless etc.), with support of Giving & Resources Adviser(s), Archdeacons and other champions;
- Utilise Total Return Accounting, and a new approach to income generation to sustain, and grow income levels;
- Continue to exercise taut financial control and;
- Utilise national and local grant funding to invest in missional growth.

Societal challenges post-Covid, and the cost-of-living crisis, have a long-term impact on the Diocese's ability to maintain and grow its ministry.

Mitigation:

- Continue to assess the long-term impact of the current environment on ministers and parishes, including sustainability (people or finances); individual and corporate resilience; capacity and innovation and;
- Through TC.T, invest in the wellbeing and capability of our Ministers and give more direct support to parishes to be outward-focussed and welcoming, especially to Under 18s and people from Protected Characteristics.

Serious safeguarding case identified (past or current)

Mitigation:

- Ensure swift action is taken if a situation does arise, with effective safeguarding provision available through the diocesan safeguarding adviser, training officers and caseworkers;
- Ensure safer recruitment, training, policies applied and audited at diocesan and parish level;
- Effective oversight and scrutiny by the Diocesan Safeguarding Steering Group (DSSG); and
- Continuation of positive safeguarding leadership, communication and culture.

Transforming Church. Together (TC.T) program and project risks of delivery

Mitigation:

- Deliver good governance and program management through the new Transformation team.
- Carefully assess performance against the budget, objectives, and timelines.
- Learn, and adapt our work, where necessary.
- Continue to communicate with ministers and parishes in an engaging and supportive way.

On the 28th April 2023 the Diocese was awarded funding, on behalf of the Archbishops' Council, for £6,820,935 to support our TC.T programme.

Pandemic and related risks

The Directors have considered the continuing impact that the COVID-19 pandemic and the cost-of-living crisis will have on the DBF's future financial position. These include the impact on Parish Share, which is highly related to the income and expenditure of parishes. The Diocese remains vigilant of any resurgence in Covid, or any other pandemic, which might restrict the Diocese activities and for worship in the future. In particular:

- Supporting parishes to sustain ministry and mitigate the loss of income;
- Careful management of cash balances to ensure sufficient liquidity; and
- Reducing and deferring expenditure, where possible and appropriate.

The Directors consider that the DBF will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The DBF has sufficient cash to meet short-term needs; and
- The DBF could increase borrowing or sell assets (property or investment) if required.

The Trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

STRUCTURE AND GOVERNANCE

Organisational structure

The DBF is governed by its Memorandum and Articles of Association, but also has to work in accordance with the requirements of the Synodical Government Measure 1969, which is regularly updated by means of its Schedule 3 'Church Representation Rules'.

The Articles provide that the members of the Standing Committee (Bishop's Council) shall be the Directors. The Bishop's Council and Standing Committee are elected triennially by the houses of clergy and laity of the Diocesan Synod, in accordance with Church Representation Rules. Certain officers of the Diocese are *ex-officio* members of the Bishop's Council and Standing Committee. The Chairman and Vice-Chairman of the Board are elected at the next General Meeting following the election of members. All members of the Diocesan Synod who are not DBF employees are entitled to be members of the company.

Following election, the Board of Directors are provided with information about their duties and responsibilities as Charity Trustees and Company Directors. This training last took place in February 2022 at the beginning of the Directors' three-year term.

The new DBE Measure 2021 required each Diocese to make a Scheme appointing an incorporation for the Board of Education, in this case, to the Bristol Diocesan Board of Finance, and then delegating this function to a committee, the DBE. A new Scheme and Terms of Reference were agreed with the DBE to define its authority, mechanisms and Board composition. The Bishop of Swindon continued to chair this Board. This is an exciting step forward for Bristol DBE integrating the DBE into the main vision and strategy of the diocese and developing the visibility of schools and wider education work. It enhances the relationship between our schools, churches and households across the life of the diocese.

Decision making structure

The Bishop's Council and Directors met six times in 2023. All financial related business between Directors' meetings is dealt with by the Finance Committee, which met ten times in 2023. On behalf of the Directors, the Committee deals with such matters as the annual accounts, the receipt of Parish Share and the management

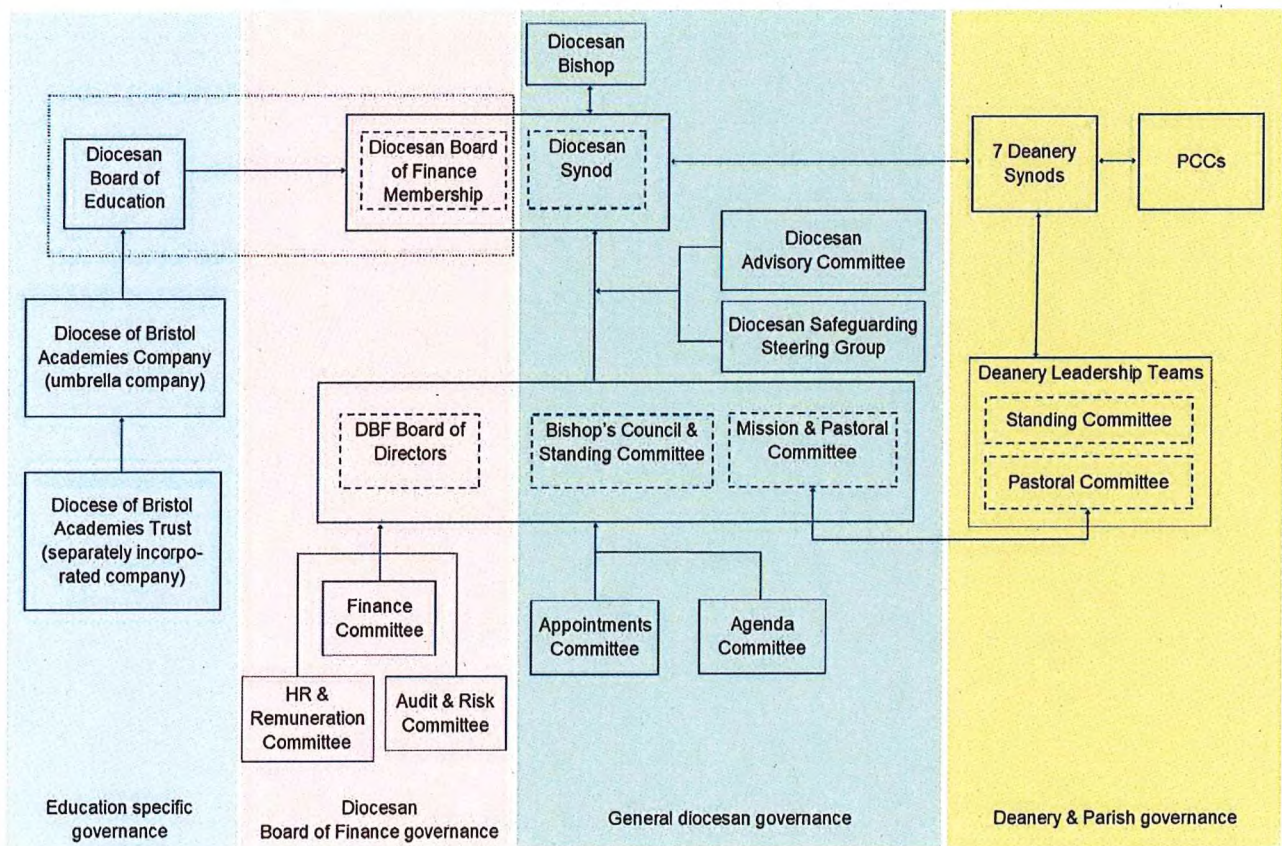
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of the DBF's corporate property, investments and its role as Diocesan Authority for Parochial Trusts (DAPT). It also deals with matters relating to the work of the Parsonages Board and the Diocesan Board of Education. The DAPT makes suggestions to the Bishop's Council about the appropriate level of stipends for the clergy and it deals - usually through the Chairman and the Remuneration Committee - with staff remuneration and conditions of service. There is currently no Remuneration Committee, but consideration of establishing one is under review.

The DBF, although a fully independent charity, is one of 42 Dioceses in the Church of England, which itself is governed under the Synodical Government Measure 1969 by General Synod and the Archbishops' Council.

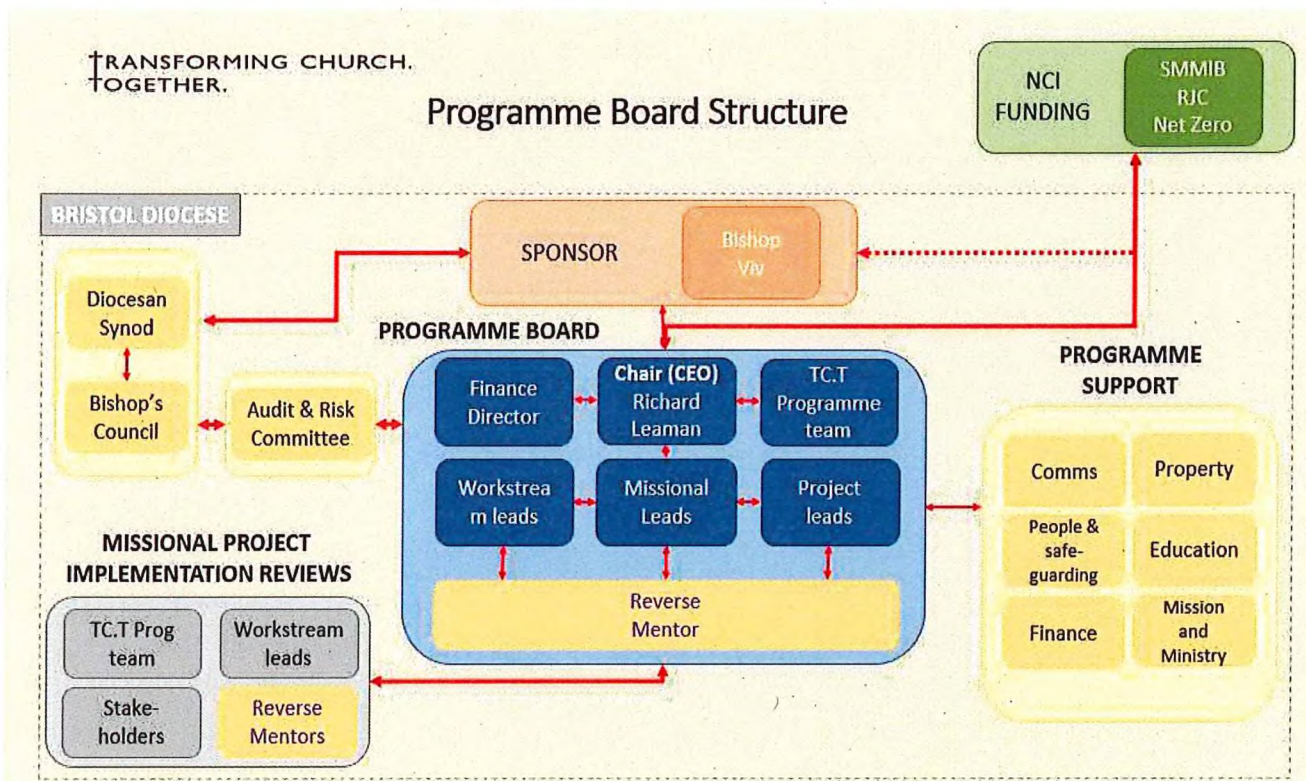
The diagram below shows the overall structure of diocesan governance and the interaction between different committees and bodies.

Diocesan Governance



TC.T Governance

Pending Diocesan Synod approval, the TC.T programme will utilise our existing governance structure to manage and implement the strategy. The process can be understood visually as follows:



Remuneration of key management personnel

Emoluments of higher-paid employees are based on job evaluation and remuneration levels are scrutinised by the HR. The HR Director makes recommendations to the Finance Committee and its terms of reference include remuneration and HR policy.

Remuneration policies for DBF staff

The DBF reviews remuneration of its staff to ensure that remuneration is compatible with gender and racial equality.

Public benefit

The Directors consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and in particular the Commission's guidance in *The Advancement of Religion for the Public Benefit*; the Directors believe they have had regard to the duty in their administration of the DBF.

The Directors believe that, by promoting the work of the Church of England in the Diocese of Bristol, the DBF helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the Diocese as a whole and in its individual parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

The Directors believe that this report, taken as a whole, provides evidence that the DBF's work in 2023 furthered its charitable purposes for the public benefit.

Constitution

The Bristol Diocesan Board of Finance Limited (the DBF) is a company limited by guarantee registered under the Companies Act, number 156243. It is also a registered charity, number 248502, registered in England and Wales. The principal office and registered office of the charity is Diocesan Office, First Floor, Hillside House, 1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU.

Directors and Trustees

The Directors of the Board of Finance are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Directors. This report constitutes the Trustees' report for charity law purposes and the Directors' report for Companies Act purposes.

Delegation of day-to-day delivery

The names of all those who were Directors on the date the report was approved are given on page 17 of this report, as are the names of any who served as Directors from the start of the financial year.

The name of the Diocesan Secretary (Chief Administrative Officer), to whom day to day management of the charity has been delegated, and the names and addresses of professional advisers are to be found on page 18.

Funds held by the DBF as trustee

In February 1998, the Charity Commissioners issued a scheme making the DBF the sole Trustee of the charity known as the Bristol Diocesan Clergy Charities. The accounts of this charity have been aggregated into these financial statements as they are administered by the DBF and held for specific purposes which are within the general purposes of the DBF.

By virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners schemes, the DBF is the Diocesan Authority over certain assets held on permanent trusts. These assets have not been aggregated in these financial statements, since the DBF does not control them. Separate financial statements have been prepared to account for the DBF's stewardship of these assets, and full trust accounts for each trust are the responsibility of the managing trustees in each case. Copies of the separate financial statements are available from the Secretary at the Registered Office of the DBF.

The Diocese of Bristol Academies Trust is a separate company to DBF. It is closing in 2025 when the 15 CE schools have been transferred to new multi academy trusts. While members of DBF sit within DBAT member and trustee Boards, the DBF has no financial liabilities to DBAT.

Funds held on behalf of schools

The Diocesan Board of Education (DBE) is a committee created the DBF and receives contributions from governors of voluntary-aided church schools within the Diocese in connection with major repair and capital projects to church schools and also government grants in connection with the same. The DBE administers these monies as managing agent and makes appropriate payments to contractors for work carried out. The monies do not belong to the DBF and as such the receipts and payments are not treated as income and expenditure in the Statement of Financial Activities. Any monies held at the balance sheet date are treated as creditors on the balance sheet.

The amount included in creditors as at 31st December 2023 was £3,248,323 (2022: £2,842,815). This increase of £405,508 in 2023 is caused by increased SCA funds shown within the cash deposits of the DBE and DBF.

Suppliers, customer and others

During 2023, the DBF has had regard to the need to foster the organisation's relationships with suppliers, customers and others.

TRUSTEES' RESPONSIBILITIES, APPOINTMENT AND TRAINING

The Directors (also named as Trustees) are responsible for preparing the Directors' Report and Strategic Report and the financial statements in accordance with applicable law and regulations. The Trustees are appointed by a process determined by the Board of the DBF and further verified by an Appointments Committee. The Board ensures that Trustees are sufficiently trained, where required, to carry out their duties. The Diocese is affiliated with the Church of England and is obliged to comply with all regulations and processes which that requires.

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

- select the most suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Statement of disclosure to Auditors

So far as the Directors are aware,

- a) there is no relevant audit information of which the charitable company's Auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's Auditors are aware of that information.

Appointment of Auditors

A resolution to appoint auditors to the Company and to authorise the Directors to fix their remuneration will be proposed at the Annual General Meeting.

ADMINISTRATIVE DETAILS

Directors and Trustees

The following served as Directors and Trustees from 1st January 2023 to the date this report was approved (unless shown otherwise):

<i>President:</i>	The Rt Rev Dr V F Faull, Bishop of Bristol *
<i>Chairman:</i>	Canon A J S Lucas * (resigned 30 th June 2023) Canon R Bacon* (appointed 1 st July 2023)
<i>Vice Chairman:</i>	Canon R Bacon * (resigned to become Chariman 1 st July 2023) The Ven C P Bryan *, Archdeacon of Malmesbury The Rev B Charles * Professor D N Clarke * Mr B A Fynamore The Very Rev A Ford, Dean of Bristol Mrs C Jefferis The Rt Rev Dr L S Rayfield, Bishop of Swindon (retired on 30 th April 2023) Mrs A Rowe Mrs A Scott (retired 18 th March 2023) The Rev D Stephenson Mr J Sunderland The Rt Rev N M Warwick *, Bishop of Swindon (prior Archdeacon of Bristol) The Rev T A Wigley The Rev K A Smith The Rev RA Waring (from 1 st December 2023)

* *Members of Finance Committee in whole or part of 2023*

**The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2023 (cont)**

Senior management and advisers

Diocesan Secretary and Company Secretary	Rear Admiral Richard Leaman CB OBE
Deputy Diocesan Secretary and Director of People & Safeguarding	Mrs Caroline Jowett-Ive (Resigned 8 th April 2024)
Deputy Diocesan Secretary and Director of Property	Mrs Lindsey McCullam MCIOB MSc Dip Surv AIHBC (Appointed Director of Property 6 th September 2022, appointed Deputy Diocesan Secretary 15 th April 2024)
Director of Finance and Technology	Mr Jeff Loo FCMA (Interim 29 th June 2022, appointed 4 th April 2023, resigned 31 December 2023)
Director of Finance	Mr Stephen Sheridan AKC FCA (Appointed 1 January 2024)
Director of Mission and Ministry Support	The Rev Dr Simon Taylor
Diocesan Director of Education	Canon Ms Liz Townend
Director of External Relations	Mr Harrison Leonard

Registered Office	1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU.
Auditors	Mazars LLP 90 Victoria Street Bristol, BS1 6DP.
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street, London EC1M 6HR
Bankers	National Westminster Bank plc 40 Queen's Road, Clifton, Bristol, BS8 1BF.
Insurers	Ecclesiastical Insurance Group Beaufort House, Brunswick Road, Gloucester, GL1 1JZ.
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET. Evelyn Partners 4th Floor, Portwall Place, Portwall Lane, Bristol, BS1 6NA

This report, which incorporates the Strategic Report, was approved by the Directors of the Bristol Diocesan Board of Finance Limited on 17 July 2024 and signed on their behalf by



Canon Richard Bacon
Chairman

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

Opinion

We have audited the financial statements of The Bristol Diocesan Board of Finance Limited (the 'company') for the year ended 31st December 2023 which comprise The Statement of Financial Activities, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 company's affairs as at 31st December 2023 and of its result 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 trustees' responsibilities statement set out on page 16, the trustees 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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 the financial statements.

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

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006 and the Charities Act 2011.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to defined benefit pension obligations, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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



Richard Bott (Senior Statutory Auditor)
for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol, BS1 6DP

Date: *2 September* 2024

The Bristol Diocesan Board of Finance Limited
Statement of Financial Activities
as at 31 December 2023

		Unrestricted		Restricted	Endowment	2023	2022
	Note	Undesignated Funds	Designated Funds	Funds	Funds	Total Funds	Total Funds
		£,000	£,000	£,000	£,000	£,000	£,000
Income and endowments from							
Donations	3						
Parish Share contributions		5,025	-	-	-	5,025	5,262
National Church Institutions (NCIs)		787	-	667	-	1,454	1,240
Other donations		355	-	119	-	474	678
Charitable activities	4	333	-	-	-	333	339
Other activities	5	321	-	-	-	321	436
Investments	6	404	234	752	-	1,390	1,205
Gain/(Loss) on asset sale	7	-	-	-	-	-	424
Total income		7,225	234	1,538	-	8,997	9,584
Expenditure on							
Raising funds	8	84	1	25	-	110	155
Charitable activities	9	9,162	712	1,051	641	11,566	10,231
Other expenditure & adjustments	10	(60)	17	15	-	(28)	(235)
Total expenditure		9,186	730	1,091	641	11,648	10,151
Net income/(expenditure) before other gains		(1,961)	(496)	447	(641)	(2,651)	(567)
Allocation of net proceeds to parish	10	-	-	-	(1,819)	(1,819)	-
Net gains/(losses) on investments		104	785	560	4,209	5,658	(3,990)
Net income		(1,857)	289	1,007	1,749	1,188	(4,557)
Transfers between funds	15	539	(166)	(577)	204	-	-
Actuarial gains / (Losses) on pension schemes		(44)	-	-	-	(44)	161
Net movement in funds		(1,362)	123	430	1,953	1,144	(4,396)
Funds brought forward		9,332	11,817	9,824	42,321	73,294	77,690
Funds carried forward	27	7,970	11,940	10,254	44,274	74,438	73,294

The Bristol Diocesan Board of Finance Limited
Income and Expenditure
as at 31 December 2023

All activities relate to continuing activities.

	2023 £,000	2022 £,000
Total income	8,997	9,584
Total expenditure	(11,648)	(10,151)
Operating surplus for the year	<u>(2,651)</u>	<u>(567)</u>
Allocation of net proceeds to parish	(1,819)	-
Net gains / (losses) on investments	5,658	(3,990)
Net income for the year	<u>1,188</u>	<u>(4,557)</u>

The notes on pages 26 to 50 form part of these financial statements.

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

The Bristol Diocesan Board of Finance Limited
Balance Sheet
as at 31 December 2023

	Note	2023	2022
		£,000	£,000
FIXED ASSETS			
Tangible assets	16-18	34,118	34,007
Investments	19	40,846	40,191
		<u>74,964</u>	<u>74,198</u>
CURRENT ASSETS			
Debtors	20-21	1,952	1,328
Cash on deposit	22	3,400	3,439
Cash at bank and in hand	22	1,267	416
		<u>6,619</u>	<u>5,183</u>
CREDITORS: amounts falling due within one year	23	<u>(3,358)</u>	<u>(1,545)</u>
NET CURRENT ASSETS		3,261	3,638
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>78,225</u>	<u>77,836</u>
CREDITORS: amounts falling due after more than one year	24	<u>(3,787)</u>	<u>(4,542)</u>
NET ASSETS	28	<u>74,438</u>	<u>73,294</u>
FUNDS	27		
Endowment funds		11,970	12,421
Endowment funds revaluation reserve		32,304	29,900
		<u>44,274</u>	<u>42,321</u>
Restricted funds		6,691	6,818
Restricted funds revaluation reserve		3,563	3,006
		<u>10,254</u>	<u>9,824</u>
Unrestricted funds		14,960	14,225
Revaluation reserve		4,950	6,940
Unrestricted funds excluding pension liability		19,910	21,165
Pension reserve		-	(16)
		<u>19,910</u>	<u>21,149</u>
TOTAL FUNDS		<u>74,438</u>	<u>73,294</u>

The Cash Flow Statement and the Notes form part of these financial statements. The financial statements were approved and authorised for issue by the Directors of the Bristol Diocesan Board of Finance Limited on 17 July 2024 and signed on their behalf by



Canon Richard Bacon
Chairman

The Bristol Diocesan Board of Finance Limited
Cash flow statement
for the year ended 31st December 2023

	£,000	2023 £,000	£,000	2022 £,000
Net cash inflow / (outflow) from operating activities		(4,447)		(792)
Cash flows from investing activities				
Dividends, interest and rent from investments	1,390		1,205	
Proceeds from the sale of:				
Tangible fixed assets	1,853		542	
Fixed asset investments	3,764		176	
Purchase of:				
Tangible fixed assets for the use of the DBF	(635)		(270)	
Fixed asset investments	(147)		(173)	
Transfer of assets (from BMHT)				
Net cash provided by / (used in) investing activities		6,225		1,480
Cash flows from financing activities				
Loans repaid by the DBF	(966)		(449)	
New loans received by the DBF	0		-	
Net cash provided by / (used in) financing activities		(966)		(449)
Change in cash and cash equivalents in the period		812		239
Cash and cash equivalents at 1st January		3,855		3,616
Cash and cash equivalents at 31st December		4,667		3,855
Reconciliation of net movements in funds to net cash flow from operating activities				
Net movement in funds for the year ended 31st December (net expenditure and allocation of net proceeds to parish)		(4,470)		(567)
Adjustments for:				
Depreciation charges		28		42
Dividends, interest and rent from investments		(1,390)		(1,205)
(Profit) on sale of functional assets		-		(424)
(Profit) on sale of fixed asset investments		(15)		(38)
(Increase) / decrease in debtors		(624)		(60)
(Decrease) / increase in creditors (excl. loans)		2,024		1,460
Net cash provided by / (used in) operating activities		(4,447)		(792)
Analysis of cash and cash equivalents				
Cash in hand		1,267		416
Notice deposits (less than 3 months)		3,400		3,439
		4,667		3,855

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

BACKGROUND INFORMATION

These financial statements comprising the Statement of Financial Activities, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes 1 to 38 constitute the individual financial statements of The Bristol Diocesan Board of Finance Limited for the financial year ended 31st December 2023..

The Bristol Diocesan Board of Finance Limited is a private company limited by guarantee, incorporated in England & Wales. The address of its registered office is Diocesan Office, First Floor, Hillside House, 1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU, which is also the principal place of business. The principal activities of the entity are described in the legal objects section on page 2 of the Annual Report of the Directors.

The financial statements have been presented in Pound Sterling as this is functional currency of the DBF and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The Bristol Diocesan Board of Finance Limited meets the definition of a public benefit entity under FRS 102.

GOING CONCERN

The Directors have reviewed the anticipated performance for a period of at least twelve months from the date of approval of the financial statements and concluded that there is no material uncertainty regarding the DBF's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the Directors consider it appropriate to prepare the financial statements on a going concern basis. The Directors consider that the DBF has sufficient reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

1. ACCOUNTING POLICIES

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

Income

All income is included in the Statement of Financial Activities (SOFA) when the DBF is legally entitled to them as income or capital, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

i) Parish Share

The principal source of income of the DBF is Parish Share, which is recognised on a cash received in year basis only (including cheques). This is because it is classified under donations, in accordance with FRS 102 and Charity SORP 2019.

ii) Rent

Rent receivable is recognised as income in the period to which it relates.

iii) Interest and dividends

The amounts shown in the accounts in respect of interest represent the income received in the year and no account has been taken of accrued interest. Dividends from investments reported in these financial statements are recognised when they become receivable.

iv) Grants and donations

Income from grants and donations is recognised on receipt, except where it relates specifically to expenditure to be incurred at a future date, in which case the income is deferred in the balance sheet.

v) Parochial fees

Income due to the DBF in respect of parochial fees is recognised as income of the year to which they relate.

vi) Gains on disposal of fixed assets for the DBF's own use

Gains on the disposal of non-investment assets are accounted for as other income. Losses on disposal of such assets are accounted for as other expenditure.

vii) Diocesan Stipends Fund (DSF) income

The Stipends Fund Capital account is governed by the Diocesan Stipends' Measure 1953, as amended, and the use of the income restricted for clergy stipends. However, the income is fully expended within the year of receipt and legal restrictions, therefore, are satisfied. This income is included in the restricted column on the Statement of Financial Activities and as a transfer to the unrestricted fund, where the related expenditure is shown.

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

a) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

i) Costs of raising funds

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

ii) Charitable expenditure

Charitable expenditure is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry in the parishes of the diocese, expenditure relating to the running of the diocesan retreat centre, and expenditure on education and Church of England schools in the diocese.

iii) Grants payable

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure where the conditions attaching are fulfilled.

iv) Support costs

Support costs consist of central management, administration and governance costs. The amount spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff time basis.

v) Pension contributions

Current DBF staff are members of a defined contribution scheme and clergy are members of the Church of England Funded Pensions Scheme (see note 35). The pension costs charged as resources expended represent the DBF's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding for the pension schemes to which DBF participates is accrued at current value in creditors distinguished between contributions falling due within one year and after more than one year.

The DBF operates a defined benefit pension scheme, now closed to new members. The amounts charged to the SOFA are the current service costs and gains and losses on settlement and curtailments. They are included as part of other expenditure in the SOFA. Past service costs are recognised immediately in the SOFA if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs in other expenditure. Actuarial gains and losses are recognised immediately at the bottom of the SOFA.

The defined benefit scheme is funded, with the assets of the scheme held separately from those of the company, in a separate trustee-administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent current and term to the scheme liabilities. The actuarial valuation is obtained at least triennially and is updated at each balance sheet date. Any surplus in the scheme is not recognised as an asset.

vi) Termination Payments

Termination payments for staff recognised in the period to which the termination relates, rather than the period in which the benefits are paid.

b) Tangible fixed assets and depreciation

i) Freehold properties

Freehold properties have been valued using the mid-point of the applicable council tax band, adjusted to 1st January 1993 by an appropriate index, or cost where known. Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case, and because their expected residual value is not materially less than their carrying value. The DBF has a policy of regular structural inspection, repair and maintenance, which in the case of residential properties is in accordance with the Repair of Benefices Buildings Measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties generally occur well before the end of their economic lives and disposal proceeds are usually not less than their carrying value. The Trustees perform annual impairment reviews in accordance with the requirements of FRS102 to ensure that the carrying value is not more than the recoverable amount.

Redundant churches have been valued at £1,000, reflecting the uncertainty of whether they will be sold by the DBF.

ii) Properties subject to value linked loans

Properties which have been bought with the assistance of value-linked loans from the Church Commissioners are valued at cost, with the corresponding value of the related loan at the balance sheet date shown within creditors.

iii) Investment properties

Gravel land including in Investment Properties has been valued at market value, using an appropriate value per acre under RICS valuation principles by Hannah Wray MRICS of Savills UK.

iv) Parsonage houses

The DBF has followed the requirements of FRS102, in its accounting treatment for benefice houses (parsonages). FRS102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The DBF is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent. The Trustees therefore consider the most suitable accounting policy is to capitalise such properties as expendable endowment assets and to carry them at the mid-point of the applicable council tax band, adjusted to 1st January 1993 by an appropriate index, or cost where known.

v) Refurbishment costs and office equipment

Refurbishment costs are capitalised and depreciated over ten years using the straight-line method. Office equipment and furniture is capitalised and depreciated over three years using the straight-line method. Grants made for capital expenditure on church and other buildings not in the DBF's ownership are written off in the year the grant is made.

c) Other tangible fixed assets

All capital expenditure over £5,000 is capitalised and depreciated as follows. Depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives at the following initial rates:

Fixtures and fittings	10% -33% per annum	straight-line basis
IT equipment	33% per annum	straight-line basis

d) Other accounting policies

i) Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities. Listed investments are classified as financial instruments and are valued at fair value using recognised market value estimates at the year end. Details of listed investments are provided on Notes 19 and 26.

ii) Leases

The DBF has entered only into operating lease arrangements for the use of certain assets, the rental for which is charged in full as expenditure in the year to which it relates. Where rent free periods are given as part of an operating lease, the impact of this rent free period is reflected in the Statement of Financial Activities over the lease term.

iii) Financial instruments

Apart from investments, the DBF only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, such as cash, debtors, prepayments and loans. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. See Note 26 below for further information.

e) Fund balances

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

i) Unrestricted funds

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the DBF and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Long-term liabilities in respect of defined benefit pension scheme deficits are shown, where required, in a specific undesignated pension reserve fund. This is a deviation from the recommendations of the Diocesan Annual Report and Financial Statements Guide (5th Edition).

ii) Restricted funds

Restricted funds are funds which have been raised by the DBF for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

iii) Endowment funds

Permanent endowment funds are a particular type of restricted fund which must be held permanently and the capital of the fund maintained. Expendable endowment funds are similar to permanent endowments except that there is power of discretion to convert endowed funds into income to be expended.

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Benefice houses recognition

Benefice houses are legally vested in the incumbent of the benefice. However, the DBF has recognised these properties as functional assets of the DBF on the basis that the DBF carries both obligations in terms of maintenance and improvement and the benefits of ownership, should the properties no longer be required.

Depreciation of freehold properties

The DBF does not depreciate its freehold properties as it judges any depreciation charge to be immaterial on the basis of the long life of the asset and high residual value on the basis of the DBF policy of regular maintenance. The DBF carries out periodic impairment reviews to ensure that properties are not being carried at values exceeding their fair value.

Revaluation of investment properties

The entity carries its investment property at fair value, with changes in fair value being recognised in the Statement of Financial Activities. The entity engaged independent valuation specialists to determine fair value at 31st December 2015 and has considered market movements since this date. The valuer used a valuation technique based on a value per acre of agricultural land and the market value for residential properties. The determined fair value of the investment property is most sensitive to the estimated value per acre of the particular land asset in question.

Pension and other post-employment benefits

The cost of defined benefit pension plans and other pension related provision are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty.

In determining the appropriate discount rate, management considers the interest rates of corporate bonds with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates and for the clergy pension scheme assumptions have been made about the number of future clergy in post.

Discount rate

Further details are given in note 35.

Small values

Values which are £Nil are shown as - ; those below £500 are shown as 0.

2. MOVEMENT IN FUNDS FOR THE YEAR

	2023	2022
	£,000	£,000
The net income for the year is stated after charging:		
Auditors' remuneration (current year work)	30	22
Auditors' non-audit remuneration	-	-
Depreciation	28	42
Operating lease charges – plant and equipment	129	111
Interest payable on loans wholly repayable: within one year	56	14
Interest payable on loans wholly repayable: between one and five years	-	-
Interest payable on loans wholly repayable: after more than five years	15	14
	<hr/>	<hr/>

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

3. DONATIONS

Parish Contributions

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

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2023	2022
	£,000	£,000	£,000	£,000	£,000	£,000
Pledges received from parishes	4,985				4,985	5,190
Shortfall in contributions	-				-	(58)
	<u>4,985</u>				<u>4,985</u>	<u>5,132</u>
Extra contributions	33				33	54
	<u>5,018</u>				<u>5,018</u>	<u>5,186</u>
Receipts for previous years	7				7	76
	<u>5,025</u>				<u>5,025</u>	<u>5,262</u>

National Church Institutions (NCIs)

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2023	2022
	£,000	£,000	£,000	£,000	£,000	£,000
Lower Income Communities Funding	450	-	-	-	450	450
Innovation Funding	-	-	84	-	84	-
Strategic Development Funding	-	-	253	-	253	650
Strategic Capacity Funding	-	-	293	-	293	-
Strategic Ministry Funding	337	-	-	-	337	139
New housing areas	-	-	30	-	30	-
CEMES	-	-	7	-	7	-
Church Commissioners annuities	-	-	-	-	-	1
	<u>787</u>	<u>-</u>	<u>667</u>	<u>-</u>	<u>1,454</u>	<u>1,240</u>

Other donations

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2023	2022
	£,000	£,000	£,000	£,000	£,000	£,000
Temple Ecclesiastical Charity	173	-	-	-	173	178
All Churches Trust	-	-	-	-	-	129
Benefact Trust Grant	-	-	113	-	113	-
Bristol Archdeaconry Charity	45	-	-	-	45	60
The Foundation of St Matthias	55	-	-	-	55	28
Marshall's Charity	5	-	-	-	5	6
Other donations	25	-	-	-	25	20
For strategic initiatives	-	-	-	-	-	9
For parochial ministry	38	-	-	-	38	70
For education work	(8)	-	6	-	(2)	71
For general purposes	19	-	-	-	19	109
Towards redundant churches	3	-	-	-	3	(2)
	<u>355</u>	<u>-</u>	<u>119</u>	<u>-</u>	<u>474</u>	<u>678</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

4. CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2023	Total funds 2022
	General £,000	Designated £,000	£,000	£,000	£,000	£,000
Statutory fees	278	-	-	-	278	258
SACRE and SIAMS	34	-	-	-	34	55
Schools work	7	-	-	-	7	10
Ministry courses	14	-	-	-	14	16
	<u>333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>333</u>	<u>339</u>

5. OTHER ACTIVITIES

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2023	Total funds 2022
	General £,000	Designated £,000	£,000	£,000	£,000	£,000
Property rental	292	-	-	-	292	411
Staff seconded to other charities	29	-	-	-	29	20
Property services to schools	-	-	-	-	-	5
	<u>321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>321</u>	<u>436</u>

6. INVESTMENT INCOME

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2023	Total funds 2022
	General £,000	Designated £,000	£,000	£,000	£,000	£,000
Dividends and interest receivable	404	206	752	-	1,362	1,177
Rents receivable	-	28	-	-	28	28
	<u>404</u>	<u>234</u>	<u>752</u>	<u>-</u>	<u>1,390</u>	<u>1,205</u>

7. GAINS ON SALE OF ASSETS

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2023	Total funds 2022
	General £,000	Designated £,000	£,000	£,000	£,000	£,000
Gains / (Losses) on sale of assets	-	-	-	-	-	424
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>424</u>

8. FUND RAISING COSTS

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2023	Total funds 2022
	General £,000	Designated £,000	£,000	£,000	£,000	£,000
Parsonage rental costs	65	-	-	-	65	110
Glebe agent's fee	-	-	15	-	15	14
Other glebe costs	-	-	10	-	10	3
Other rental costs	-	1	-	-	1	15
Commercial property costs	19	-	-	-	19	13
	<u>84</u>	<u>1</u>	<u>25</u>	<u>-</u>	<u>110</u>	<u>155</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

9. CHARITABLE ACTIVITIES

	Unrestricted Funds General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2023 £,000	Total funds 2022 £,000
Contributions to Archbishops' Council						
Training for Ministry	225	-	-	-	225	225
National Church Responsibilities	251	-	-	-	251	139
Grants and provisions	-	-	-	-	-	19
Support of mission agency pensions	-	-	-	-	-	9
CHARM	-	-	-	-	-	85
Pooling of ordinands maintenance	26	-	-	-	26	(62)
	<u>502</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>502</u>	<u>415</u>
Resourcing Ministry and Mission						
Parish Ministry						
Stipends, NI and pensions	2,874	-	71	-	2,945	2,825
Housing costs	1,357	-	-	641	1,998	1,959
Curate stipends, NI and pensions	857	-	-	-	857	792
Mission Area & Resourcing churches	22	-	324	-	346	604
Transformation including TC.T	95	542	352	-	989	255
Other parochial costs	164	30	30	-	224	183
Removal, resettlement and grants	236	-	56	-	292	288
Chaplaincy	125	-	-	-	125	113
Ecumenical support	8	-	-	-	8	58
Deanery	40	-	-	-	40	28
Support for parish ministry & mission	2,597	129	26	-	2,752	2,325
Innovation project	-	11	73	-	84	-
	<u>8,375</u>	<u>712</u>	<u>932</u>	<u>641</u>	<u>10,660</u>	<u>9,430</u>
Expenditure on Education						
Support for church schools	285	-	119	-	404	386
	<u>285</u>	<u>-</u>	<u>119</u>	<u>-</u>	<u>404</u>	<u>386</u>
	<u>9,162</u>	<u>712</u>	<u>1,051</u>	<u>641</u>	<u>11,566</u>	<u>10,231</u>

10. OTHER EXPENDITURE AND ALLOCATION OF NET PROCEEDS TO PARISH

Other Expenditure consisted of :

	Unrestricted Funds General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2023 £,000	Total funds 2022 £,000
Closed churches	-	17	-	-	17	18
Other costs	-	-	15	-	15	13
<i>Pension scheme adjustments:</i>						
Contributions paid (BDBF Staff RBS)	(85)	-	-	-	(85)	(85)
Interest cost (BDBF Staff RBS)	25	-	-	-	25	28
Contributions paid (Clergy scheme)	-	-	-	-	-	(120)
Remeasurement (Clergy scheme)	-	-	-	-	-	(89)
Interest cost (Clergy scheme)	-	-	-	-	-	-
	<u>(60)</u>	<u>17</u>	<u>15</u>	<u>-</u>	<u>(28)</u>	<u>(235)</u>

Allocation of Net Proceeds to Parish

A devaluation to Endowment Funds during the year of £1,819,000 (2022: £Nil) was incurred. This represents the valuation move of creating a liability to cover the net capital proceeds of a property disposal, which during the year was made over to a PCC to whom the original property asset was related. See Notes 22 and 23. On how this relates to balance sheet cash and creditor balances.

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

11. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS

	Activities Undertaken Directly £,000	Grant Funding of Activities £,000	Support Costs £,000	Total Costs 2023 £,000
Fundraising costs	110	-	-	110
Charitable activities	-	-	-	-
Archbishops' Council	-	503	-	503
Ministry and Mission	8,105	275	2,275	10,655
Education	404	-	4	408
Other	(28)	-	-	(28)
	<u>8,591</u>	<u>778</u>	<u>2,279</u>	<u>11,648</u>

12. ANALYSIS OF SUPPORT COSTS FOR PARISH MINISTRY & MISSION

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2023	Total funds 2022
	General £,000	Designated £,000	£,000	£,000	£,000	£,000
Diocesan Office functions	799	129	-	-	928	591
Support for parish ministry	473	-	-	-	473	592
Finance and Information Services	549	-	-	-	549	476
Advisory services	85	-	-	-	85	184
Safeguarding	150	-	8	-	158	142
Communications	176	-	-	-	176	80
HR function	124	-	18	-	142	66
Parish and External Relations	49	-	-	-	49	42
Registrar and Chancellor	62	-	-	-	62	79
Archdeacon's Office	34	-	-	-	34	30
DAC	2	-	-	-	2	2
Governance and synodical costs	18	-	-	-	18	8
Central audit fees	52	-	-	-	52	22
Other professional services	24	-	-	-	24	11
	<u>2,597</u>	<u>129</u>	<u>26</u>	<u>-</u>	<u>2,752</u>	<u>2,325</u>

13. ANALYSIS OF GRANTS MADE

	Individuals £,000	Institutions £,000	2023 Total £,000	2022 Total £,000
From unrestricted funds for national church responsibilities:				
Training for Ministry (Vote 1)	-	225	225	225
Apportionment (Votes 2-5)	-	251	251	251
Pooling	-	26	26	(62)
From unrestricted funds for various purposes within parish ministry				
PCCs for lay appointments	-	37	37	36
Clergy (new appointments)	24	-	24	15
Clergy (resettlement)	35	-	35	31
Curates (on ordination)	23	-	23	23
Curates (resettlement)	26	-	26	26
Ordinands (family maintenance)	64	-	64	75
From unrestricted funds:				
Ecumenical bodies	-	8	8	3
University Chaplaincy	-	3	3	3
From restricted funds for various purposes within parish ministry				
Clergy support (Clergy Society)	-	55	55	90
From restricted funds for educational purposes				
Educational Foundations grants to schools	-	(20)	(20)	79
	<u>172</u>	<u>585</u>	<u>757</u>	<u>795</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
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14. STAFF COSTS

	2023 £,000	2022 £,000
Employee costs during the year were as follows:		
Wages and salaries	2,100	1,578
National Insurance contributions	202	158
Pension costs	154	187
	<u>2,456</u>	<u>1,923</u>
	2023	2022

The average number of persons employed by the group during the year:

Diocesan Secretary and Governance Office	6	6
People & Safeguarding merged	10	8
Safeguarding only	4	1
Education	8	5
Finance	6	5
Property (and governance in 2021)	8	7
Ministry Development	9	8
Parish & External Relations	3	4
Archdeacon's Office	1	2
Parochial lay staff	1	1
Parochial clergy (not paid through Clergy Payroll)	-	3
Chaplaincy	4	2
Mission Areas	1	1
Strategic programme including TC.T	4	3
Communications	2	2
	<u>67</u>	<u>58</u>
	2023	2022

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

Diocesan Secretary's Office	4.7	4.7
People and Safeguarding merged	7.2	5
Safeguarding only	2.9	0.9
Education	5.4	3.9
Finance	5.3	5
Governance and Property	7.3	5.4
Ministry Development	8.1	6.7
Parish & External Relations	2.2	3.7
Archdeacon's Office	1	2.1
Parochial lay staff	0.7	0.7
Parochial clergy (not paid through Clergy Payroll)	-	1.1
Chaplaincy	4	2.1
Mission Areas	0.6	1
Strategic programme including TC.T	4.1	0.6
Communications	1.6	2.0
	<u>55.1</u>	<u>44.9</u>
	2023	2022

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

£80,001- £90,000	1	-
£70,001 - £80,000	1	-
£60,001- £70,000	3	2
	<u>5</u>	<u>2</u>
	2023	2022

Pension payments of £19,306 were made for these employees (2022: £6,295).

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
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14. STAFF COSTS (continued)

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Diocese. During 2023, they were:

Diocesan Secretary/CEO
 Deputy Diocesan Secretary (Director of People and Safeguarding)
 Interim Finance Director
 Director of Ministry Development
 Head of Governance and Property
 Head of Parish and External Relations
 Director of Education
 Communications Director

Remuneration, pensions and expenses for these employees amounted to 2023: £758,796 (2022: £495,386)

Directors' emoluments

None of the Directors have received any emoluments from the DBF in respect of services performed as a Director (2022: None). One of the Directors received a termination payment of £23,150 in respect of the year ended 31 December 2023 all of which was accrued at the year end and paid after the year end. This payment was made in respect of services provided and approved in accordance with established governance and with the accounting policy for such payments noted in Note 1.b) vi) above.

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

	<i>Stipend & pension</i>	<i>Housing</i>
The Ven C P Bryan	Yes	Yes
The Rt Rev Dr L S Rayfield (retired 30 th April 2023)	No	Yes
The Rt Rev N M Warwick	Yes	Yes
The Rev T A Wigley	Yes	Yes
The Rev K E Smith	Yes	Yes
The Rev D J Stephenson	Yes	Yes
The Rev RA Waring (form 1 st December 2023)	Yes	Yes
The Rev B Charles	Yes	Yes

The DBF is responsible for funding via the Church Commissioners the stipends of licenced stipendiary clergy in the Diocese, other than the bishops and cathedral staff. The DBF is also responsible for the provision of housing for stipendiary clergy in the Diocese, including the suffragan bishop, but excluding the diocesan bishop and cathedral staff.

From time to time some of the directors may be related to clergy or lay staff working in the Diocese and in receipt of a stipend and housing or salary. Travelling and other out of pocket expenses totalling £9,502 (2022 - £5,257) were paid to 5 (2022 - 2) of the Directors during the year, in respect of General Synod duties, duties as Archdeacon or Area Dean, and other diocesan duties. The Rt rev Dr L.S. Rayfield, Bishop of Swindon retired as a director on 30th April 2023 and a thank you gift of £5,000 for their service was paid.

Professional indemnity insurance has been taken out to protect the Trustees. This is included in an insurance policy covering the Diocesan Office and staff, Diocesan Synod and the DBF's boards and committees, at an overall cost of £15,690 (2022 - £15,243).

Clergy costs

In 2023 the DBF paid an average of 112 FTE (Headcount 110) (2022: 107 FTE ; Headcount 111) stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese, and the costs were as follows:

	2023 £,000	2022 £,000
Stipends	3,126	2,993
National Insurance contributions	260	256
Apprenticeship Levy	14	14
Pension costs – current year	797	741
Pension costs – deficit reduction	-	315
	<u>4,197</u>	<u>4,319</u>

The stipends of the Diocesan Bishop and Suffragan Bishops are funded by the Church Commissioners and are in the range £39,953 - £48,972 (2022 range £38,670 - £46,560). The annual rate of stipend, funded by the DBF, payable to Archdeacons in 2023 was in the range £39,058 - £40,565 (2022 range £37,198 - £38,633) and other DBF funded clergy who were Trustees were paid stipends in the range of £27,350 - £29,637 (2022 range £27,079 – £28,420). The estimated value to the occupant, of church provided housing in 2023 was £11,750 (2022 - £11,190).

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
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15. ANALYSIS OF TRANSFERS BETWEEN FUNDS

	Unrestricted Funds General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000
Mission Area and Resource Activity funded from the General Fund	413	-	(413)	-
Clarification of 2022 Fund Transfers	(226)	(136)	130	232
Transfers relating to disposal of investment property	28	-	-	(28)
Mission Fund activity funded from the General Fund	30	(30)	-	-
Use of Diocesan Stipends Fund to pay for Stipends	294	-	(294)	-
	<u>539</u>	<u>(166)</u>	<u>(577)</u>	<u>204</u>

Please note that the above analysis is presented only to clarify where spend which would otherwise be allocated to General Funds has been re-allocated to Restricted or Endowment Funds in line with the spending permissions granted on those Funds.

16. TANGIBLE FIXED ASSETS – LAND AND BUILDINGS

	£,000	2023 £,000	£,000	2022 £,000
Endowment funds				
Benefice houses				
As at 1 st January	18,293		18,293	
Additions	600		-	
Less disposals	(477)		-	
As at 31 st December	<u>18,416</u>		<u>18,293</u>	
Glebe properties				
As at 1 st January	3,207		3,207	
Additions	40		-	
Less disposals	-		-	
As at 31 st December	<u>3,247</u>		<u>3,207</u>	
Total properties held for permanent funds		21,663		21,500
Restricted funds				
Other properties				
As at 1 st January and 31 st December	128		128	
Total properties held for restricted funds		128		128
Unrestricted funds				
Other properties				
As at 1 st January	7,761		7,866	
Additions	-		-	
Transfer from endowment fund	-		-	
Less disposals	-		(105)	
As at 31 st December	<u>7,761</u>		<u>7,761</u>	
Resourcing churches				
As at 1 st January	4,580		4,342	
Additions	35		238	
Less disposals and VAT refund	(59)		-	
As at 31 st December	<u>4,556</u>		<u>4,580</u>	
Total properties held for unrestricted funds		12,317		12,341
Total land and buildings		<u>34,108</u>		<u>33,969</u>

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Notes to the Financial Statements
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16. TANGIBLE FIXED ASSETS – LAND AND BUILDINGS (continued)

All of the properties in the balance sheet are freehold. Some properties have been purchased with the help of a value linked loan from the Church Commissioners; when disposed of, the appropriate share of the net sale proceeds will be remitted to the Commissioners, and the related loan liability thereby extinguished. The value of such properties included above amounts to £460,575 (2022 - £460,575). Of the total land and buildings at 31st December 2023, £17,820,995 is valued at cost (2022 - £17,220,995) and the remainder at valuation. Properties are subject to a five-year cycle of survey and consequent repairs are charged to the income and expenditure account. The Directors consider that depreciation of the buildings element of these properties is therefore not appropriate.

17. TANGIBLE FIXED ASSETS – REFURBISHMENT COSTS

	2023 £,000	2022 £,000
Cost as at 1 st January	142	142
Cost as at 31 st December	<u>142</u>	<u>142</u>
Provision for depreciation as at 1 st January	142	128
Depreciation charges in year	-	14
Provision for depreciation as at 31 st December	<u>142</u>	<u>142</u>
Net book value as at 31 st December	<u>-</u>	<u>-</u>

Refurbishment costs represent the ingoing works at the Diocesan Office in Stoke Gifford in 2012.

18. TANGIBLE FIXED ASSETS – OFFICE EQUIPMENT

	2023 £,000	2022 £,000
Cost as at 1 st January	242	209
Additions in the year	-	33
Less disposals	-	-
Cost as at 31 st December	<u>242</u>	<u>242</u>
Provision for depreciation as at 1 st January	204	176
Depreciation charges in year	28	28
Less disposals	-	-
Provision for depreciation as at 31 st December	<u>232</u>	<u>204</u>
Net book value as at 31 st December	<u>10</u>	<u>38</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

19. FIXED ASSET INVESTMENTS

	2023 £,000	2022 £,000
Valuation		
Listed Investments		
At 1 st January	35,526	40,452
Additions in the year	146	172
Disposals in the year	(659)	(136)
Unrealised investment (losses) / gains	3,055	(4,962)
	<hr/>	<hr/>
At 31 st December	38,068	35,526
	<hr/>	<hr/>
Investment Properties		
At 1 st January	4,665	3,671
Additions in the year	-	-
Disposals in the year	(2,398)	-
Unrealised investment gains / (losses)	511	994
	<hr/>	<hr/>
At 31 st December	2,778	4,665
	<hr/>	<hr/>
Total Fixed Asset Investments	40,846	40,191

Listed Investments comprise:

	£,000	2023 £,000	£,000	2022 £,000
Endowment funds				
CBF Investment Fund shares	4,357		16,744	
CBF Property Fund shares	1,951		1,048	
CBF Fixed Interest Fund	-		1,922	
	<hr/>	6,308	<hr/>	19,714
Restricted funds				
CBF Investment Fund shares	14,914		3,018	
CBF Global Equity Fund shares	8,409		2,661	
CBF Fixed Interest Fund	655		625	
CBF Property Fund	316		-	
Managed portfolio	2,437		2,560	
Rent charge	-		-	
	<hr/>	26,731	<hr/>	8,864
Unrestricted funds				
CBF Investment Fund shares	3,825		2,353	
CBF Global Equity Fund shares	1,204		4,595	
CBF Property Fund shares	-		-	
	<hr/>	5,029	<hr/>	6,948
Total investments		38,068		35,526

The historic cost of the investments held at 31st December 2023 was £11,077,000 (2022 - £13,988,000).

Investment Properties comprise:

		2023 £,000	2022 £,000
Glebe	Agricultural Land	2,741	2,243
	Non-agricultural Land	37	37
	Property	-	410
Other Property		-	1,975
		<hr/>	<hr/>
		2,778	4,665

The historical cost of the majority of investment properties is not known, but records are held of total additions of £7,000, of which £nil were added in 2023 (£Nil – 2022).

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
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20. DEBTORS – LOANS

	2023 Due in one year £,000	2023 Due after one year £,000	2022 Due in one year £,000	2022 Due after one year £,000
Parish buildings loans	1	1	1	3
PCC St John w St Andrew Park	-	14	-	14
PCC St Michael, Stoke Gifford	115	-	-	241
PCC Redland	38	-	-	100
PCC Castle Combe	-	-	-	-
PCC Downend	-	-	-	55
PCC St Paul Chippenham	10	75	-	95
PCC Brislington St Cuthbert	20	-	-	-
PCC Wanborough	-	45	-	-
Other loans (incl. cycle to work schemes)	-	-	-	3
	<u>184</u>	<u>135</u>	<u>1</u>	<u>511</u>
Total loans made by the DBF		<u>319</u>		<u>512</u>

21. DEBTORS – OTHER

	2023 £,000	2022 £,000
<i>All due within one year</i>		
Trade debtors	517	65
Prepayments	170	102
Debtors for parish share	-	37
Other debtors	946	612
Total debtors	<u>1,633</u>	<u>816</u>

22. CASH AT BANK AND ON DEPOSIT

	2023 £,000	2022 £,000
Cash on hand and at bank	344	416
Central Board of Finance Deposit Funds	366	419
Funds held by investment managers on deposit	40	53
Diocesan Pastoral Account held by the Church Commissioners on deposit	5	5
Deposit Funds held for parish – see Notes 10 and 23	1,819	-
Educational Foundations deposit and current accounts	1,931	2,781
Bristol Diocesan Clergy Charities deposit	142	161
Fresh Expressions deposit	20	20
Total cash at bank and on deposit	<u>4,667</u>	<u>3,855</u>

23. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £,000	2022 £,000
Trade creditors	208	348
Taxation and social security	56	25
Clergy Stipends Account	-	-
Bank loans	814	392
Realised capital owed to Parish (building disposal) – see Notes 10 and 22	1,819	-
Other creditors	460	764
Education Foundation	1	-
Pension scheme liabilities		
Clergy pension scheme	-	-
Historic lay defined benefit scheme	-	16
Total creditors falling due within one year	<u>3,358</u>	<u>1,545</u>

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24. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2023 £,000	2022 £,000
Other creditors	46	45
Education Foundation	3,248	2,616
Loan repayments due after one year		
Diocesan Loan Scheme	145	336
Value linked loans	348	348
Bank loans	-	1,197
Other loans	-	-
Pension scheme liabilities		
Clergy pension scheme	-	-
Historic lay defined benefit scheme	-	-
Total creditors falling due after one year	3,787	4,542

The Church Commissioners' value linked loans for capital expenditure on clergy housing in parochial or diocesan ownership are of an equity nature. The appropriate equity share is repayable on the sale of the property concerned or when it ceases to be occupied by a member of the clergy or licensed lay worker, and interest is charged by the Commissioners at 4% per annum on the amount loaned initially, the rate rising annually by the increase in the Retail Prices Index. All value linked loans are currently due for repayment after 5 years.

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1st January 2023 £,000	Cash flows £,000	Other non- cash changes £,000	At 31st December 2023 £,000
Cash and cash equivalents				
Cash on deposit	3,439	(39)	-	3,400
Cash at bank and in hand	416	851	-	1,267
	<u>3,855</u>	<u>812</u>	<u>-</u>	<u>4,667</u>
Borrowings				
Debt due within one year	(392)	(422)	-	(814)
Debt due after one year	(1,881)	1,388	-	(493)
	<u>(2,273)</u>	<u>966</u>	<u>-</u>	<u>(1,307)</u>
Total	<u>1,582</u>	<u>1,778</u>	<u>-</u>	<u>3,360</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
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26.FINANCIAL INSTRUMENTS

	2023	2022
	£,000	£,000
Financial assets measured at amortised cost comprise of:		
Cash at bank and on deposit	4,667	3,855
Trade debtors	517	65
Prepayments	170	102
Debtor for Parish Share	-	37
Other debtors	946	612
Loans	319	512
	<u>6,619</u>	<u>5,183</u>
Financial liabilities measured at amortised cost comprise of:		
Trade creditors	208	348
Taxation and social security	56	25
Clergy Stipends Account	-	-
Other creditors	5,574	3,425
Loans	1,307	2,273
Pension scheme liabilities	-	16
	<u>7,145</u>	<u>6,087</u>
Financial assets measured at fair value comprise of:		
Listed investments (see Note 19)	38,068	35,526
	<u>38,068</u>	<u>35,526</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
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27. SUMMARY OF FUND MOVEMENTS	Balance at 1 st January £,000	Income £,000	Expenditure £,000	Gains and Losses £,000	Transfers £,000	Balance at 31 st December £,000
ENDOWMENT FUNDS						
Diocesan Stipends Fund Capital	15,818	-	(641)	2,404	128	17,709
Parsonage Building Fund	20,547	-	-	1,543	119	22,209
Clergy Pensions Trust	24	-	-	2	-	26
Diocesan Mission Trust	277	-	-	26	-	303
Diocesan Education Committee Trust	19	-	-	2	-	21
Diocesan Offices endowment	315	-	-	30	-	345
Parsonages Fund	281	-	-	27	-	308
17 Oakfield Road, Clifton (capital to parish)	1,975	-	(1,819)	(113)	(43)	-
Schools Maintenance Fund capital	414	-	-	39	-	453
Younghusband legacy	243	-	-	23	-	266
Gummer legacy	142	-	-	13	-	155
Sir Francis Cowlin Trust	1,870	-	-	176	-	2,046
Bristol Diocese Clergy Holiday Trust	396	-	-	37	-	433
	<u>42,321</u>	<u>-</u>	<u>(2,460)</u>	<u>4,209</u>	<u>204</u>	<u>44,274</u>
RESTRICTED FUNDS						
Diocesan Stipends Fund Income	-	319	(25)	-	(294)	-
Meridian Hall Reserve	128	-	-	-	-	128
Urban Fund Reserve	5	-	-	-	-	5
Educational Foundations Capital	1,694	-	-	121	-	1,815
Educational Foundations Income	2,858	149	(113)	421	-	3,315
Schools Maintenance Income Funds	744	49	-	(2)	-	791
Clergy Society Capital Funds	839	-	-	108	-	947
Clergy Society Accumulated Income	177	95	(55)	8	-	225
Clergy Society Holiday Trust Income	105	16	-	6	-	127
Uganda	10	-	-	-	-	10
Uganda (Deanery)	8	-	-	-	-	8
St Michael on the Mount Without	34	1	-	-	-	35
Temple Trust for Theatre Director	(1)	-	-	-	1	-
Fresh Expressions	20	-	-	-	-	20
New Housing Fund	-	30	(30)	-	-	-
Parsonage Major Works	(322)	-	12	-	310	-
Release Fund	2	-	-	-	-	2
Bishop Monk's Horfield Trust Fund	2,933	121	(27)	(103)	(310)	2,614
Daventry Road Fund	189	-	-	-	-	189
Creative Arts	40	2	-	1	(1)	42
Global Partnership / Uganda Trips	1	-	-	-	-	1
Transforming Church	(52)	299	(361)	-	-	(114)
Strategic Development Funding (SDF)	412	254	(286)	-	(412)	(32)
Benefact Trust (new 2023)	-	113	(26)	-	129	216
New Town Innovation Project (new 2023)	-	84	(73)	-	-	11
Strategic Ministry Funding (new 2023)	-	-	(101)	-	-	(101)
Other Restricted	-	6	(6)	-	-	-
	<u>9,824</u>	<u>1,538</u>	<u>(1,091)</u>	<u>560</u>	<u>(577)</u>	<u>10,254</u>
DESIGNATED FUNDS						
Dame Violet Wills Legacy	969	-	-	91	-	1,060
Pastoral Reserve	5,948	-	-	-	-	5,948
Diocesan Office Rental Fund – Capital	4,656	66	(11)	-	(121)	4,590
Diocesan Office Rental Fund – Income	66	-	-	694	-	760
Mission Fund	170	168	(130)	-	-	208
Growth Fund	24	-	(36)	-	(30)	(42)
Tudor Cottage Reserve	(16)	-	-	-	(15)	(31)
Transforming Church Together (TC.T)	-	-	(542)	-	-	(542)
New Town Innovation Project (new 2023)	-	-	(11)	-	-	(11)
	<u>11,817</u>	<u>234</u>	<u>(730)</u>	<u>785</u>	<u>(166)</u>	<u>11,940</u>
UNDESIGNATED FUNDS						
H Gummer Gifts	104	-	-	10	-	114
H H Wills Bequest	483	-	-	45	-	528
St Nicholas Hall Trust	517	-	-	49	-	566
General Reserve	8,244	7,225	(9,246)	-	539	6,762
Pension Reserve	(16)	-	60	(44)	-	-
	<u>9,332</u>	<u>7,225</u>	<u>(9,186)</u>	<u>60</u>	<u>539</u>	<u>7,970</u>
	<u>73,294</u>	<u>8,997</u>	<u>(13,467)</u>	<u>5,614</u>	<u>-</u>	<u>74,438</u>

Please note that any funds showing a negative balance (e.g. TC.T) have had those overspends funded from General Funding.

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
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28. SUMMARY OF ASSETS BY FUND

	Fixed assets £,000	Investments £,000	Current assets £,000	Creditors £,000	Net assets £,000
ENDOWMENT FUNDS					
Diocesan Stipends Fund Capital	3,080	14,629	-	-	17,709
Parsonage Building Fund	18,583	3,539	87	-	22,209
Clergy Pensions Trust	-	26	-	-	26
Diocesan Mission Trust	-	303	-	-	303
Diocesan Education Committee Trust	-	21	-	-	21
Diocesan Offices endowment	-	344	1	-	345
Parsonages Fund	-	308	-	-	308
Schools Maintenance Fund capital	-	453	-	-	453
Younghusband legacy	-	266	-	-	266
Gummer legacy	-	155	-	-	155
Sir Francis Cowlin Trust	-	2,046	-	-	2,046
Bristol Diocese Clergy Holiday Trust	-	433	-	-	433
	<u>21,663</u>	<u>22,523</u>	<u>88</u>	<u>-</u>	<u>44,274</u>
RESTRICTED FUNDS					
Diocesan Stipends Fund Income	-	-	-	-	-
Meridian Hall Reserve	128	-	-	-	128
Urban Fund Reserve	-	-	5	-	5
Educational Foundations Capital	-	1,477	319	19	1,815
Educational Foundations Income	-	3,838	2,274	(2,797)	3,315
Schools Maintenance Income Funds	-	500	291	-	791
Clergy Society Capital Funds	-	947	-	-	947
Clergy Society Accumulated Income	-	132	93	-	225
Clergy Society Holiday Trust Income	-	66	61	-	127
Uganda	-	-	10	-	10
Uganda (Deanery)	-	-	8	-	8
St Michael on the Mount Without	-	-	35	-	35
Fresh Expressions	-	-	20	-	20
Release Fund	-	-	2	-	2
Bishop Monk's Horfield Trust Fund	-	2,438	176	-	2,614
Daventry Road Fund	-	-	189	-	189
Creative Arts	-	21	21	-	42
Global Partnership / Uganda Trips	-	-	1	-	1
Transforming Church	-	-	(114)	-	(114)
Strategic Development Funding (SDF)	-	-	(32)	-	(32)
Benefact Trust	-	-	216	-	216
New Town Innovation Project	-	-	11	-	11
Strategic Ministry Funding	-	-	(101)	-	(101)
	<u>128</u>	<u>9,419</u>	<u>3,485</u>	<u>(2,778)</u>	<u>10,254</u>
DESIGNATED FUNDS					
Dame Violet Wills Legacy	1	1,059	-	-	1,060
Pastoral Reserve	4,561	1,287	34	-	5,882
Diocesan Office Rental Fund – Capital	-	5,350	-	-	5,350
Diocesan Office Rental Fund – Income	-	-	104	-	104
Mission Fund	-	-	104	-	104
Growth Fund	-	-	24	-	24
<i>Other Specific Reserves</i>					
Tudor Cottage	-	-	(31)	-	(31)
DBE Hookmills Educational Foundation	-	-	-	-	-
Transforming Church Together (TC.T)	-	-	(542)	-	(542)
New Town Innovation	-	-	(11)	-	(11)
	<u>4,562</u>	<u>7,696</u>	<u>(318)</u>	<u>-</u>	<u>11,940</u>
UNDESIGNATED FUNDS					
H Gummer Gifts	-	114	-	-	114
H H Wills Bequest	-	528	-	-	528
St Nicholas Hall Trust	-	566	-	-	566
General Reserve	7,765	-	3,368	(4,371)	6,762
Pension Reserve	-	-	-	-	-
	<u>7,765</u>	<u>1,208</u>	<u>3,368</u>	<u>(4,371)</u>	<u>7,970</u>
	<u>34,118</u>	<u>40,846</u>	<u>6,623</u>	<u>(7,149)</u>	<u>74,438</u>

Please note that any funds showing a negative balance (e.g. TC.T) have had those overspends funded from General Funding.

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29. DESCRIPTION OF FUNDS

ENDOWMENT FUNDS

(a) Diocesan Stipends Fund Capital

This fund represents the value of glebe property and investments at the balance sheet date. The account is governed by the Diocesan Stipends Funds Measure 1953 as amended by the Endowments and Glebe Measure 1976, the National Institutions Measure 1998, and the Miscellaneous Provisions Measure 1992. It represents the accumulated sale proceeds of glebe property, sale proceeds of parsonage houses and surplus benefice endowments following pastoral reorganisation. The main function of the fund is to produce income for stipends, but it may also be used for other purposes including: acquiring glebe property, developing and protecting glebe amenities, discharging loans and levies on glebe, improving parsonage houses and discharging any loans made by the Church Commissioners under the Endowments and Glebe Measure 1976. The funds may be invested in any investments fund or deposit fund constituted under the Church Funds Investment Measure 1958 or in any investments in which the trustees may invest under the general power of investment in section 3 of the Trustee Act 2000.

(b) Parsonage Building Fund

Parsonage building funds represent resources restricted to provision of benefice houses in the Diocese. They are represented by the benefice houses or by sale proceeds of former benefice houses held on suspense by the Church Commissioners. Although benefice houses are vested in incumbents for the time being of the benefices concerned, the DBF is obliged to maintain them, to ensure that there are sufficient houses for the pastoral structure of the Diocese, and receives the sale proceeds of benefice houses surplus to requirements into its pastoral reserve.

(c) Other permanent endowments

Fund	Income purpose
Clergy Pensions Trust	To defray the cost of clergy pensions
Diocesan Mission Trust	Towards social responsibility work in the Diocese
Diocesan Education Committee Trust	Towards the work of the Board of Education
Diocesan Offices endowment	Towards the maintenance of Diocesan Offices
Parsonages Fund	Towards the maintenance of parsonage houses in the Diocese
17 Oakfield Road, Clifton Trust	Towards the augmentation of stipends and general ecclesiastical purposes in the parish of Christ Church, Clifton
Schools Maintenance Fund capital	Maintenance of CE voluntary aided schools in the Diocese
Younghusband legacy	Towards the augmentation of stipends
Gummer legacy	Towards the augmentation of stipends
Sir Francis Cowlin Trust	For the general purposes of the Bristol Diocesan Board of Finance
Bristol Diocese Clergy Holiday Trust	To assist with the holiday expenses of clergy

RESTRICTED FUNDS

(a) Diocesan Stipends Fund Income

Subject to any charges imposed by scheme or order the fund shall be applied to: provide or augment stipends of incumbents, assistant curates and others engaged in the cure of souls in the Diocese; meet expenses incurred in making improvements to parsonage houses; pay class 1 National Insurance contributions in respect of ministers not employed under a contract of service; defray sequestrators' expenses.

(b) Meridian Hall Reserve

This reserve represents the properties known collectively as Meridian Hall which are held on trust for use as a hostel for overseas students.

(c) Urban Fund Reserve

This reserve was originally created by the receipt of donations for funding projects in urban areas of the Diocese, such as the projects originally supported by the Bishop of Bristol's Urban Fund and was augmented in 1995 by a donation of the residual funds of the Bishop of Bristol's Urban Fund. The reserve is held as cash on deposit.

(d) Educational Foundations Capital Funds

These funds result from the sale of redundant Church of England voluntary aided school property as directed by a Scheme under section 86(1) of the Education Act 1944, and subsequent orders made under section 2 of the Education Act 1973. They may be used for the provision, improvement or enlargement of Church of England voluntary aided schools in the Diocese of Bristol, and in the payment of any expenses incurred in the administration of the various foundations. In 2013, the constitution of these funds was amended to widen its scope to include academies and other Church of England schools in the Diocese.

(e) Educational Foundations Income Funds

These funds result from accumulations of income arising from Educational Foundations capital funds. They may be used for the same purposes as the capital funds above.

(f) Schools Maintenance Income Funds

These funds result from accumulations of income arising from the permanent endowment designated for maintenance of Church of England voluntary aided schools in the Diocese.

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- (g) **Clergy Society Capital Funds**
These funds form the capital of the Bristol (Diocesan) Clergy Society and the Bristol Diocesan Sustentation Trust, both of which funds are part of the Bristol Diocesan Clergy Charities. They may be used for relieving diocesan clergy and their dependants who are in conditions of need, hardship or distress; and in advancing the education of children of diocesan clergy. The funds were substantially augmented in 2009, by the sale of a house, purchased in 1976 to provide accommodation for a retired clergyman, and no longer needed.
- (h) **Clergy Society Accumulated Income Funds**
These funds result from accumulations of income arising from the Clergy Society capital funds. They may be used for the same purposes as the capital funds above.
- (i) **Clergy Society Holiday Trust Accumulated Income Funds**
This trust originates in a gift of the late Horace Gummer in 1923, and its object is to assist with the holiday expenses of clergy, with preference being given to diocesan clergy; and, if the income cannot be applied as above, to relieve diocesan clergy and their dependants who are in conditions of need, hardship or distress.
- (j) **Uganda Funds**
These funds are from a legacy, received in 2015, to be used to provide scholarship funds for theological or ordination training in Uganda for those who are engaged in or preparing for service in the ministry ordained or lay of the Church of Uganda with special consideration being given to candidates from the Dioceses of Bukei, Mbale or North Mbale.
- (k) **Uganda (Deanery) Funds**
These funds are held on behalf of a number of deaneries in the Diocese to support their links with the Anglican church in Uganda.
- (l) **St Michael on the Mount Without**
These funds remain from those distributed to the DBF in 2007, when the Diocese took responsibility for the church.
- (m) **SMR Clergy**
These funds were used to help to defray the cost of the associate clergy at St Mary Redcliffe.
- (n) **Fresh Expressions**
The Crossnet Network Church was established in 2004. It meets in a non-church setting and draws its members from a wide area. The finances of this entities are separately maintained; however, at present they have no formal status and are therefore aggregated into these accounts.
- (o) **New Housing Areas Fund**
In 2010, the Diocese was awarded a grant of £500,000 from the Church Commissioners to provide ministry in new housing areas throughout the Diocese. During the early part of 2022, these funds were used to pay for a home / school link worker in Patchway, North Bristol.
- (p) **Release Fund**
Release is a leadership development programme that realises the potential of leaders – it releases their energy. The programme has been made possible by the receipt of funding from an anonymous donor.
- (q) **Creative Arts Fund**
This fund was established by a generous donation in 2018, with the aim of creating a fund to support and invest in engagement with the creative arts by Anglican Churches in the Diocese of Bristol.
- (r) **Global Partnership / Uganda Trips Fund**
This fund represents amounts collected and disbursed in relation to trips by parishes in the Diocese to linked churches in Uganda, and other related activities.
- (s) **Strategic Development Funding**
This fund represent grants awarded by the Archbishops' Council, and associated expenditure, in relation the Diocese's strategic initiatives of establishing three Mission Areas in Avonside, Yate & Fromeside and North Wiltshire and two Resourcing churches at St Nicholas, Bristol and the Pattern Church in Swindon. This fund also includes strategic capacity funding awarded to the DBF to support these strategic initiatives.
- (t) **Bishop Monk's Horfield Trust Fund**
This fund was established in 2020, following the winding-up of the Bishop Monk's Horfield Trust.
- (u) **Daventry Road Fund**
This fund was established in 2020, following the determination of the proceeds of a property held in trust.

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UNRESTRICTED FUNDS

(a) **Dame Violet Wills Legacy Fund**

This fund results from a general legacy to the DBF by the late Dame Violet Wills. The DBF has designated the fund's future use for children's and youth work, and the income arising from the capital sum is used for this purpose. The funds are invested principally in the CBF Investment Fund.

(b) **Pastoral Reserve**

The pastoral reserve results from past accumulations of general fund income, transfers and sales of property for the DBF's general use which the DBF has designated as a general building fund. It incorporates the Diocesan Pastoral Account which is governed by the Mission and Pastoral Measure 2011.

(c) **Diocesan Office Rental Fund – Capital**

This fund is used to produce income to pay the rental of the Diocesan Office in Stoke Gifford.

(d) **Diocesan Office Rental Fund – Income**

This is accumulated income from the capital investment. The rent-free period at the start of the lease has been spread for accounting purposes over the first 10 years of the lease.

(e) **Mission Fund**

This reserve represents allocations received from the Church Commissioners since 2002 under the Parish Ministry and Mission scheme. This money is allocated by the DBF to mission initiatives.

(k) **Growth Fund**

This reserve was also set aside from the General Fund surplus for 2005 and is being used to give grants to parishes, who wish to undertake new mission initiatives, but do not have sufficient funds to do so. Grants are being given over a limited period towards the employment costs of new positions, which can be shown to contribute to new mission initiatives within the parish.

(l) **Other Specific Reserves**

A small number of reserves have been established for specific purposes, these include two small funds in respect of Tudor Cottage and the DBE Hookmills Educational Foundations.

(m) **General Reserve**

The general reserve represents accumulations from past general fund surpluses. The reserves policy for this fund is described in the Directors' Report.

(n) **Pension Reserve**

The pension reserve is the amount needed to make good the deficits that have arisen between the present value of the funds invested and the estimated liability in respect of two defined benefit schemes. The two schemes in question are the Church of England Funded Pension Scheme for stipendiary clergy and the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme, for lay staff, which is closed to new members. Full details are given at note 35 and recovery plans are in place to eliminate the respective deficits.

30. CAPITAL COMMITMENTS

At 31st December 2023, the DBF had a commitment to purchase Abbeymeads Church for in the region of £600,000 including costs. This acquisition was completed on 12 March 2024. There are also ongoing discussions for the purchase of a vicarage in Henbury for around £575,000, but the timing of this completion is not yet certain. There is also a commitment to purchase a suitable vicarage in Swindon East villages in Autumn 2024, but no site has been located.

31. OTHER COMMITMENTS

During the 2022 calendar year the Charity agreed to underwrite the obligations of the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme as they fall due to the extent that they exceed the funds assets. Further details of the current position of the pension scheme can be found in note 35.

32. CONTINGENT LIABILITIES

At 31st December 2023, the DBF had no contingent liabilities (2022 – none).

33. OPERATING LEASES

The following total amounts due under operating leases are as follows:

	2022 £,000	2022 £,000	2022 £,000	2022 £,000
	<i>Land & Buildings</i>	<i>Other</i>	<i>Land & Buildings</i>	<i>Other</i>
Operating leases				
Within one year	119	-	119	-
Within two to five years	267	-	386	-
After five years	-	-	-	-

The lease payments expensed during the year were £128,765 (2022 - £110,744).

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

34. POST BALANCE SHEET EVENTS

In March 2024 the Abbeymeads Church was purchased. See Note 30 above for more details.

35. PENSIONS

Clergy pension scheme

The DBF participates in the Church of England Funded Pension Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the DBF and other Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, which were £0 in 2023 (2022: 120,000), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2023, following the valuation results being agreed, the deficit contributions paid were £0 (2022: £89,000).

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

1. An average discount rate of 2.7% p.a.;
2. RPI inflation of 3.6% p.a. (and pension increases consistent with this);
3. CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
4. Increase in pensionable stipends in line with CPIH;
5. Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates from 2013 in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

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

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

	% of pensionable stipends
31 December 2021	7.1% payable from January 2021 to December 2022
31 December 2022	Nil
31 December 2023	Nil

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2023	2022
Balance sheet liability at 1 January	0	209,000
Deficit contribution paid	0	-120,000
Interest cost (recognised in SoFA)	0	0
Remaining change to the balance sheet liability* (recognised in SoFA)	0	-89,000
Balance sheet liability at 31 December	0	0

* Comprises change in agreed deficit recovery plan, and change in discount rate and inflation assumptions between year-ends.

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2023	December 2022	December 2021
Discount rate	n/a	n/a	0.0% pa
Price inflation	n/a	n/a	n/a
Increase to total pensionable payroll	n/a	n/a	-1.5% pa

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

Defined Benefit Scheme

Bristol Diocesan Board of Finance (the 'Employer') operates a defined benefit pension arrangement called the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme (the 'Scheme'). The Scheme provides benefits based on final salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined contribution schemes operated by the Employer.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Employer must agree with the Trustees of the Scheme the contributions to be paid to meet the Statutory Funding Objective.

The most recent comprehensive actuarial valuation of the Scheme as at 31st March 2023. As part of this valuation, a new Schedule of Contributions will be agreed with the Employer which could require higher or lower contributions to be paid than under the existing Schedule of Contributions. The next valuation of the Scheme is due as at 31st March 2026.

Under the existing Schedule of Contributions, the Employer expects to pay contributions of £85,000 in the year to 31st December 2024.

There were no plan amendments, curtailments or settlements during the period.

Profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is around 13 years.

Disclosures

Figures for disclosure in accounts for period ending 31st December 2022 under FRS102. Results are shown in pounds, rounded to the nearest £1,000.

Principal actuarial assumptions

The principal assumptions used to calculate the Scheme's liabilities include:

	2023	2022
Discount rate	4.50% pa	4.90% pa
Inflation assumption (RPI)	3.30% pa	3.40% pa
Inflation assumption (CPI)	2.30% pa	2.40% pa
Pension increase (RPI max 5% (LPI) pension increases)	3.20% pa	3.30% pa
Pension increase (Revaluation in deferment (CPI))	2.30% pa	2.40% pa
Post retirement mortality	95% of the S3PA tables with CMI 2022 projections using a long-term improvement rate of 1.5% p.a. The 2020 and 2021 weight parameters are nil and the 2022 weight parameter is 25%	95% of S2PA with CMI 2019 projection and a long-term improvement of 1.5% pa
	No allowance has been made for members to take tax free cash	No allowance has been made for members to take tax free cash

Assets

The Scheme's assets are invested in One Family's Pension Accumulation Fund (99%), together with a small with-profit deferred annuity policy (1%).

The assets do not include any investments in shares or property of the Employer.

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

Balance Sheet at 31st December 2023

	2023 £,000	2022 £,000
Fair value of assets	489	473
Present value of funded obligations	(489)	(489)
Net defined benefit liability at 31st December 2022	<u>-</u>	<u>(16)</u>

It should be noted that due to their nature, pension scheme assets are not recognised.

Amounts recognised in the Statement of Financial Activity over the year

	2023 £,000	2022 £,000
Current service costs	-	-
Administration costs	25	25
Interest on liabilities	24	24
Interest on assets	(24)	(24)
Past service cost	-	-
Settlement cost	-	-
Total	<u>25</u>	<u>25</u>

Remeasurements over the year

	2023 £,000	2022 £,000
Loss / (gain) on scheme assets in excess of interest	24	8
Experience losses / (gains) on liabilities	(63)	52
Losses / (gains) from changes to demographic assumptions	(4)	-
Losses / (gains) from changes to financial assumptions	20	(221)
Total remeasurements	<u>(23)</u>	<u>(161)</u>

The change in the assets over the period was:

	2023 £,000	2022 £,000
Fair value of assets at the beginning of the period	473	442
Interest on assets	24	9
Employer contributions	85	85
Contributions by Scheme participants	-	-
Benefits paid	(18)	(31)
Administration Costs	(25)	(24)
Change due to settlements	-	-
Return on plan assets less interest	(24)	(8)
Fair value of assets at the end of the period	<u>515</u>	<u>473</u>

Actual return on assets*

*Calculated using unrounded figures

The change in the Defined Benefit Obligations over the period was:

	2023 £,000	2022 £,000
Defined Benefit Obligations at the beginning of the period	489	676
Current service cost	-	-
Contributions by Scheme participants	-	-
Past service cost	-	-
Interest cost	24	13
Benefits paid	(18)	(31)
Change due to settlements	-	-
Experience (gain) / loss on defined benefit obligations	(63)	52
Changes to demographic assumptions	(4)	-
Changes to financial assumptions	20	(221)
Defined Benefit Obligations at the end of the period	<u>448</u>	<u>489</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

Defined Contribution Scheme

The DBF operates a group personal pension plan (GPPP) for all new and existing employees of the Bristol Diocesan Board of Finance Ltd. As part of this scheme, the DBF contracts to pay specific contributions to an individual employee's pension fund, based on a percentage of their salary. The amount the employee will receive in the future as a pension will depend on the investment performance of the particular funds assets. The DBF has no other ongoing liability and the costs of providing the GPPP are charged to staff costs in the financial statements as the contributions payable. The total cost for the period was £156,000 (2022 - £187,000) and outstanding contributions as at 31st December 2023 amounted to £23,792 (2022 - £15,919).

36. PRIOR YEAR COMPARATIVE SOFA

	Unrestricted Funds General £,000	Restricted Designated £,000	Endowment Funds £,000	Total funds Funds £,000	2022 £,000
Income and endowments from					
Donations					
Parish Share contributions	5,262	-	-	-	5,262
National Church institutions	589	-	651	-	1,240
Other donations	661	-	17	-	678
Charitable activities	339	-	-	-	339
Other activities	431	-	5	-	436
Investments	384	163	658	-	1,205
Gains on sale of assets	434	-	-	(10)	424
Total income	<u>8,100</u>	<u>163</u>	<u>1,331</u>	<u>(10)</u>	<u>9,584</u>
Expenditure on					
Raising funds	123	15	17	-	155
Charitable activities	8,782	147	848	454	10,231
Other	(249)	1	13	-	(235)
Total expenditure	<u>8,656</u>	<u>163</u>	<u>878</u>	<u>454</u>	<u>10,151</u>
Net income / (expenditure) before other gains	(556)	-	453	(464)	(567)
Net gains on investments	(155)	(923)	(1,242)	(1,670)	(3,990)
Net income	(711)	(923)	(789)	(2,134)	(4,557)
Transfer between funds	100	132	-	(232)	-
Actuarial gains / (losses) on pension schemes	161	-	-	-	161
Net movement in funds	(450)	(791)	(789)	(2,366)	(4,396)
Total funds as at 1st January 2022	<u>9,782</u>	<u>12,608</u>	<u>10,613</u>	<u>44,687</u>	<u>77,690</u>
Total funds as at 31st December 2022	<u>9,332</u>	<u>11,817</u>	<u>9,824</u>	<u>42,321</u>	<u>73,294</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

37. RELATED PARTY TRANSACTIONS

The Foundation of St Matthias (registered charity number 311696) is administered by its Chief Operating Officer and clerk/Administrator (who became employees of the Trust from October and November 2022, respectively). Formerly, all affairs were administered by the St Matthias Administrator (an employee of the DBF). In 2023 the DBF was paid £42,636 for all administrative and accountancy services to the Foundation (2022 - £31,583). In 2023 the Bristol Diocesan Board of Education received grants totalling £61,000 (2022 - £39,500), funding the diocesan resource centres, providing in-service training and training resources for teachers.

Diocese of Bristol Academies Trust (DBAT) is a separate legal entity. From October 2020, DBAT ceased to be administered from the DBF's registered office. DBAT paid £7,500 toward rent of school land at Lydiard Millicent in 2023 (2022 - £7,500) and £275 toward training resources / conferences (2022 - £726). Additionally, DBF paid £118 to DBAT for training in 2023 (2022 - £660 spent for meeting room rental).

Trinity College (Bristol) Ltd is a theological education institution that trains several ordinands sponsored by the Diocese of Bristol. It employs one of the former DBF directors (Andrew Lucas, who resigned 30th June 2023). In 2023 the DBF paid Trinity College £67,836 for ordination training and house rental (2022 - £97,943).

The Dean of Bristol Cathedral is one of the DBF's directors. Bristol Cathedral has multiple customer and supplier accounts with the DBF with 2023 transactions as follows: The Dean and Chapter of Bristol Cathedral paid the DBF £472 toward DBS checks and training / conference fees (2022 - £1,083). Bristol Cathedral was paid by the DBF a £2,000 contribution towards the Beloved Community and £30 for meeting refreshments (2022 - £Nil). Bristol Cathedral Choir School paid the DBF £225 toward training and support during 2023 (2022 - £25). Cathedral Schools Trust paid the DBF £100 for training and conferences in 2023 (2022 - £255). Bishop Faull (president of the DBF) is also a trustee for Cathedral Schools Trust.

DBF – Clergy Society. The DBF is a trustee for the Clergy Society and in 2023, the DBF recharged the Clergy Society for medical examination fees and an audit – both recharges related to 2022 but were recharged in 2023. No transactions took place in 2022.

National Church of England (CoE) has significant influence over the DBF. During 2023 the DBF received significant grants from CoE against their customer account for the following, but no transactions were recorded against the customer account in 2022:

Strategic Capacity Fund - £467,410 – used to fund TC.T activity.

Strategic Development Fund - £183,089 – used to fund Mission Areas & Resourcing Churches project.

Innovation Fund - £55,474 – used to fund innovation projects.

Pension recharge - £744

Redland Chapel Trust has a shared trustee with the DBF in David Clarke. In 2023, Redland Chapel Trust reimbursed the DBF for service fees of the value of £1,945 (2022 - £2,264).

PCC of Redland, as above, has a shared trustee in David Clarke. During 2023, the PCC of Redland paid the DBF £17,406 for loan interest (2022 - £1,275) and £76 for DBS checks (2022 - £78).

Swindon CCRC Trust (also known as the Pattern Church) has a shared trustee with the DBF in Katherine Smith. Swindon CCRC Trust paid the DBF £215 for training courses and DBS checks in 2023. In 2022, Swindon CCRC had paid £356 for training and DBS checks, in addition to £5,091 in reimbursements for insurance premiums.

University of West of England (UWE) employs a chaplain who is paid by the DBF, and the Chair of the DBF (Richard Bacon) is also the Chair of Governors for UWE. In 2023, UWE paid the DBF a contribution of £19,175 toward the chaplains stipend (2022 - £20,137).

Bristol Diocesan Clergy Charities: In February 1998, the Charity Commissioners issued a scheme making the DBF a Trustee of the charity known as the Bristol Diocesan Clergy Charities (number 3127160). The accounts of the Bristol Diocesan Clergy Charities have been aggregated into these financial statements.

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
for the year ended 31st December 2023

38. FUNDS HELD AS CUSTODIAN TRUSTEE

By virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners' schemes, the DBF is the Diocesan authority over certain assets held on permanent trusts, where the managing Trustees are parochial church councils or others. In doing so the DBF furthers its charitable objects to promote and assist the work and purposes of the Church of England in the Diocese of Bristol.

These assets have not been consolidated in these financial statements, since the DBF does not control them.

Separate financial statements have been prepared to account for the DBF's stewardship of these assets, and full trust accounts for each trust are the responsibility of the managing Trustees in each case. The number of trusts whose assets are held as custodian trustee are too numerous for individual disclosure, copies of the separate financial statements and details are available from the Secretary at the Registered Office of the DBF.

The financial assets held in this way can be summarised as follows with a like-for-like 2022 comparison:

	2023 £,000	2022 £,000
Capital Assets		
Equities	447	447
Other fixed-interest securities	79	79
Unit trust shares	12,852	12,852
CBF Deposit Fund	1,859	1,859
COIF Deposit Fund	310	310
Virgin Money Charity Deposits	34	34
Trust capital loans	77	77
Other Capital Assets	495	495
Cash at bank	25	15
Income Assets		
Unit trust shares	312	312
CBF Deposit Fund	607	543
COIF Deposit Fund	58	58
Virgin Money Charity Deposits	-	-
Debtors	-	-
Creditors	(16)	(15)
Cash at bank	8	4
	<u>17,147</u>	<u>17,070</u>

THE BRISTOL DIOCESAN BOARD OF FINANCE LIMITED

England & Wales - Charity number 248502

Accounts



Diocese of Bristol

**The Bristol Diocesan Board of Finance Limited
Annual Report & Financial Statements
for the year ended 31st December 2022**

Registered Office: Hillside House, 1500 Parkway North, Stoke Gifford, Bristol BS34 8YU
0117 906 0100 | www.bristol.anglican.org |
The Bristol Diocesan Board of Finance Limited | Reg. in England: Charity 248502, Company
156243

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The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2022

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 31st December 2022.

The Trustees and Directors are one and the same and in signing as Trustees they are also signing the Strategic Report sections in their capacity as Directors.

This combined report satisfies the legal requirements for:

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

The Financial Statements have been prepared in accordance with statutory requirements prevailing at 31st December 2022, with the requirements of the Charity's governing document, its Memorandum and Articles of Association, and with the Charities Statement of Recommended Practice (FRS102). Where possible, the guidance issued in the Diocesan Annual Report and Financial Statements Guide by the Diocesan Secretaries' Liaison Group has been followed.

LEGAL OBJECTS

The primary objective of the Bristol Diocesan Board of Finance ("the DBF") is to promote and assist the work and purposes of the Church of England in the Diocese of Bristol.

The DBF has the following statutory responsibilities:

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

BACKGROUND

The landscape in 2022 was challenging. Whilst the Church was still recovering from the impact of the Covid pandemic, Russia invaded Ukraine and the government difficulties exacerbated the inevitable inflationary consequences of the war. This led to a significant cost of living crisis and unimaginably high energy bills; the impact on ministers and parishes has been immense. In addition, Sadly, Her Majesty Queen Elizabeth the Second died during the year, and the Diocese mobilised to provide much needed support throughout the communities at all levels. The fact that throughout the year the Diocese of Bristol has continued to make a significant difference to Christian witness in our communities through its ministers, parishes and church schools is quite remarkable.

STRATEGY DEVELOPMENT

In 2021, the Diocese of Bristol undertook a process to discern and develop the next vision and strategy for the Diocese, under the title of *Transforming Church. Together (T.C.T)*. The overall aim of the process was to understand as a Diocese what we do well, what we could change for the better, and how we could create a positive way forward together. Through prayer, and conversations, with many groups of people, the process discerned the new vision, mission and values which underpinned the subsequent strategy development work:

Our vision

Humanity reconciled; creation restored.

Our mission

To follow Jesus, to serve others, and to transform communities.

Our values

Openness: we value openness, and are loving and open to all

Generosity: we value generosity, and receive and give sincerely

Creativity: we value creativity, and we cooperate with the work of the Spirit

Bravery: we value bravery; we are courageous with our voices and our actions

After many months of workshops, co-creation, and discernment, Diocesan Synod approved the TC.T Strategy in March 2021. Our four Strategic Outcomes are:

- To have a form of church in every community, and a church in which all can participate, thrive and belong,
- To have people who worship God in every aspect of their lives, and throughout their whole lives,
- For the diocese to be recognised as a powerful force for gospel change,
- For the diocese to be sustainable, financially and environmentally.

To achieve these outcomes, we discerned that we need to undertake 12 strands of activity in the years ahead. We will work towards:

Forms of Church to best serve our communities	Ensure we have the right form of church, in the right place, with the right support.
Church Buildings to serve our communities	Better utilise our church properties, for mission and income generation.
Releasing our Ministers to flourish and thrive	Provide better administrative support, intentional deployment, and vocational wellbeing.
Build pathways into deep, lived-out Christian faith	Through a Diocesan Rule of Life, workplace way-finders, local discipleship and evangelism, pilgrimage, and Parish/Deanery 'Missions'.
Develop our Volunteers	Provide better recruiting, induction, and support, to grow both capability and numbers.
Engage Under 25's	Through RCs, MAs and Chaplaincies; to increase engagement and encourage participation.
Support Priority (Low Income) Communities	Invest with precision, revitalise the estates' network, increase Ministry deployment, provide targeted administrative support, and develop the next generation of officers and ministers.
Communicate and deliver positive change against injustice	Create 'campaign partnerships', identify relevant campaigns against injustice, and deliver them locally, regionally and nationally.
Inclusion and Racial Justice	Deliver our racial justice commitments and better include under-represented communities.
Build Income	Make better use of our balance sheet /

	investments and build novel income generation/fundraising capabilities.
Build Partnerships	Create partnerships with public, private and third sector organisations to support 'campaigns', generate income + benefits in kind, and attract new volunteers/disciples.
Achieve Net Zero 2030	Deliver physical and behavioural change to achieve environmental sustainability.

ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

Funding, Planning, and Financial Trajectory

Gaining funding and planning to implement the TC.T strategy were major areas of work in 2022.

The Diocese passed Stage 1 of the National Church process to provide support funding TC.T in October 2022. For most of the year, the Programme Team, Diocesan Support Services (DSS) and Archdeacons have been developing costed implementation plans to present to the Strategic Mission and Ministry Board (SMMIB) in the Spring of 2023, at Stage 2 of the process. Diocesan Synod signed off the 5-year TC.T budget in September 2022, based on the approved Strategy, and this formed the foundation of the Stage 2 bid in March 2023. This bid was wholly successful and has resulted in a £6.82m grant for the next 3 years. That said, the bid process was unduly painful and protracted, and considerable feedback has been provided to the National Church to make it a simpler, more transparent, and more trusting experience.

The TC.T Programme Team stood up in 2022 and began detailed planning for implementation in 2023. The team also generated plans for the governance, monitoring and reporting, and communications of the programme. This work formed the basis of our Stage 2 submission for funding.

Throughout the year, close attention has been paid to expenditure and cost control, whilst the central team re-shaped itself to prepare to implement TC.T. Despite the turbulence, on a like for like basis the Diocese came in under its operating budget by £37k, which was already £191k lower than the 2021 deficit. It is planned that this downward trajectory continues so that, in time, we achieve income and expenditure balance.

Ministry in the Diocese

Parish ministry is at the heart of the what the Diocese of Bristol does, in serving the many and varied communities in and around Bristol, Chippenham, South Gloucestershire, North Wiltshire and Swindon. Through the work of our parishes, deaneries, Bishop's Mission Orders, and aided by the Diocesan Support Services Team, this collective work strives to provide a visible Christian presence in every community in the Diocese.

Whilst there will always be short-term fluctuations, the DBF is committed to maintaining the overall numbers of stipendiary clergy for the duration of the next five years. 2022 saw unexpectedly high turnover, and hence vacancy levels, but recruiting is actively underway to return to the desired level of posts. The budgeted vacancy rate was 15.3% with assumptions of 7 Leavers and 12 joiners. The actual vacancy rate was 24% with 15 Leavers and 6 joiners. At the end of 2022, 192 Clergy were licensed across the Diocese of Bristol's 166 parishes, 100 benefices, 5 Bishop's Mission Orders and Bristol Cathedral (2021: 217). Of these clergy, 133 (2021: 156) were in stipendiary ministry (or other paid ministry) and 59 (2021: 61) were self-supporting ministers (SSMs). There were also 27 (2021: 32) Anglican clergy licensed to institutions as chaplains, 111 (2021: 112) clergy holding the Bishop's Permission to Officiate and 157 (2021: 171) Licensed Lay Ministers (LLMs). In 2022, the DBF paid an average of 111 full-time equivalent stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese (2021: 119). In 2015, the comparative figure was 105.

Mission Areas and Resourcing Churches

An integral part of parish ministry in 2022 has been the work of the three mission areas and two resourcing churches that were established under the 'Creating Connections' 2016 to 2020 strategic plan.

The mission areas at Avonside, Yate & Fromeside and North Wiltshire continue to prove the benefits of working across boundaries, collegiality and shared financial support. Despite continuing challenges, numbers worshipping in churches in the Mission Areas grew over 2022 to 2243 (2021: 1583). The resourcing churches at St Nicholas, Bristol and the Pattern Church in Swindon had continued to be agile and adaptive, with a strong

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focus on invitation and outreach. Numbers worshipping in the resourcing churches also grew to 770 (2021: 580).

One of the principal out-workings of the resourcing churches has been the successful plans to plant and establish wider congregations. The Well, Swindon (planted in 2021) has grown to 140 worshippers (2021: 42) and is establishing a range of ministries that serve the local community. In September 2022, St Nicholas, Bristol, planted on the site of the old Filton airbase on the border of Bristol and South Gloucestershire. Launched on the evening of 8th September 2022, Concord Church has a claim to be the first church launched during the reign of King Charles III.

We have continued to regularly review learning from both the mission areas and resourcing churches in order to inform work being done under Transforming Church. Together.

Climate Emergency

At its Diocesan Synod in November 2019, the Diocese of Bristol became the first diocese in the Church of England to declare a 'climate emergency' and commit to reach net zero carbon emissions by 2030. This declaration is supported by a Diocesan Environment and Climate Justice Policy that made the seven commitments and marked the start of a journey towards the Diocese becoming carbon net zero by 2030. The Church of England General Synod followed this commitment to a net zero by 2030 target, when it also declared a climate emergency at its February 2020 meeting.

Since then, there has been significant progress, and a comprehensive plan was submitted to Diocesan Synod in February 2023, followed up by a bid for support from the National Church. The Diocese is serious about reaching the target and will utilise reserves, as necessary, to fund it.

Racial justice

In June 2020, Rt Revd Vivienne Faull committed on behalf of the Bishop of Bristol, Diocese of Bristol and Bristol Cathedral, to act now with a renewed sense of urgency and determination to:

- Acknowledge and repent of the Church's past involvement in and benefit from the slave trade;
- Challenge and address institutional racism, listening to and learning from the experiences of Black, Asian and minority ethnic people;
- Recruit and support more Black, Asian and minority ethnic clergy, staff and volunteers;
- Make our churches truly welcoming to everyone, taking responsibility for the need for profound cultural change in our Church; and
- Work with others in the Diocese of Bristol and the Church of England to bring these things about.

In 2022, we have continued to make progress in implementing these commitments, including:

- The Racial Justice Task Group and Racial Justice Advisory Group have met during the year
- Appointing a Racial Justice Project Officer using external funding awarded
- Developing and delivering training programmes to clergy and staff
- Consulting with UKME communities in Bristol to ensure they play a key role in helping us respond appropriately to historic racism.
- Continuing to conduct audits of memorials and monuments in our churches linked to the transatlantic traffic in enslaved Africans and working with both the Cathedral and parishes to consider their response.

Safeguarding

The safeguarding resource provision increased during 2022 with the addition of a female caseworker and increased administrative support. The team continued to work to the agreed Safeguarding Improvement Plan. Andy Wills remained as Independent Chair of the Diocesan Safeguarding Steering Group (DSSG). The PCR2 was completed in December 2021 and both Diocesan and National recommendations were published during 2022. The recommendations have been incorporated into the Diocesan safeguarding action plan.

The Church of England Safer Recruitment and People Management guidance published during 2021 came into effect and changed the recommended DBS renewal period from 5 to 3 years. An updated Safeguarding

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Learning and Development Strategy also published in 2021 meant that the training requirements for parish officers changed.

During the year 2191 people engaged with safeguarding training either via the e-learning portal or face to face courses. (2021: 1469), 1559 DBS applications were recorded (2021: 836) and 46 new cases were recorded (2021: 45). The Safeguarding Annual Report is published on the Diocesan website.


The Safeguarding Team continues to be engaged in projects (National Safeguarding Case Management System and Pathfinder project) that have developed in response to the IICSA recommendations that apply to the Church of England. This will enable a more collaborative approach to safeguarding across the whole church and enable a greater consistency in the management of safeguarding in the Diocese.

CONCLUSION

The Directors believe that all the above shows that the DBF delivers public benefit by working with ministers, parishes and schools to be a Christian witness at the centre of their communities, whilst continuing to reduce the size of the operating deficit.

FUTURE PLANS

During 2023, the Diocese will:

- Seek Diocesan Synod approval for the governance of TC.T
- Receive significant National Church Funding for TC.T
- Commence implementation of TC.T and continue to provide world class support to Ministers and Parishes
- Implement Total Return Accounting policy 
- Continue to reflect on identity, sexuality, relationships and marriage in the bigger context of being human, through the *Living in Love and Faith* initiative; and
- Continue to support to ministers, churches, chaplaincies and schools recovering from the long-term impact of the COVID-19 pandemic, and dealing with the impact of the cost-of-living crisis:

FINANCIAL REVIEW

In November 2021, Diocesan Synod approved DBF expenditure totalling £9,712,000 for 2022 (2021: £9,158,000). The budget presented to Diocesan Synod showed expenditure outstripping income by £797,000. However, as with 2021, £200,000 of this expenditure constitutes improvement works to property and is being funded by the Diocesan Stipends Fund (DSF) Capital Fund, so this effectively meant that the DBF's operational budget was in deficit by £597,000.

This budget reflected a desired level of Parish Share (the financial contributions made by parishes to the DBF) for 2022 of £5,500,000. By the end of 2022, gifts of Parish Share totalling to £5,262,000 (2021: £5,144,000). This amount included gifts towards earlier years of £76,171 (2021: £33,000) and additional gifts from parishes of £54,286 (2021: £83,000) made above and beyond the original pledges made.

In terms of other income, fees from occasional office (weddings, funerals etc.) and investment income were marginally lower than expected. Overall grant income was £225k above budget, but much of this related to the timing of Strategic Development Fund grants and corresponds to a lower level of expenditure on 'other parochial ministry costs'. Property income was £124k more than budgeted, due to a number of parish vacancies and careful property management. The National Church awarded us £261k to mobilise TC.T for which £151k was to be used in 2022 and £110k for 2023. This in part explains the DSS non staff cost increases and use of contractors to commence the TC.T project.

Actual expenditure was £10,117,000, £405k above budget and £422k above 2021. In terms of expenditure, the overall cost of clergy stipends (one of the DBF's most significant area of spending) was £317k less than budgeted. This underspend resulted from the £260k impact of a higher vacancy rate 24% vs 15.3% budget, (itself a legacy of Covid churn in staff). Employers National Insurance was budgeted with the 1.25% increase from April onwards, but this was reduced back to the original rate in November. Pension was budgeted at 39.9%, but was subsequently reduced to 36%, this generated savings of circa £57k over nine months of the year. Overall expenditure on initial ministerial training was £119k lower than originally thought. Property costs were up £533k due to Fin Com approval for an additional £254k to bring forward approved expenditure on repairs delayed from Covid restrictions including Quinquennial repairs £64k, Interim repairs £57k, and Vacancy repairs of £108k. Various other compliance projects for legionella and asbestos were also started during 2022. Other areas where there were major variances to budget were an overspend on DSS staff costs to cover for staff leavers with more expensive contract staff, and TC.T mobilisation contract staff in program and project management, a new finance manager role £27k, plus recruitment for both DSS and Operational staff of £81k. The renewal of a bank borrowing facility and interest of £25k in DSS (non-staff) was also part of the overspend along with Computer costs £55k; Finance Consultancy £68k; Fixed asset depreciation £12k; Comms Consultancy cover £85k; less various other small variances. Diocesan staff costs for TC.T were partly covered by the £151k of capacity funding (noted above) from the National Church and shown in grant income.

The overall result for 2022 was an operational deficit of £797,000 (2021: £894,000 deficit), after including 'other funds' (see below); funding from the Diocesan Stipends Fund (DSF) Capital Fund of £454,000 (2021: £244,000). A comparison between the budget presented to Diocesan Synod and the actual results, for each of the main budget headings, is shown in Table 1 (on page 8).

The income and expenditure from 'other funds' relate primarily to certain ancillary DBF funds, including the DBF Clergy Charities (known as the Clergy Society), the Educational Foundations funds and one Fresh Expression. In 2022, the Clergy Society, which provides small welfare grants to clergy on a case-by-case basis, awarded grants amounting to £90,000 (2021: £17,000). In 2022, the Educational Foundations funds awarded grants to church schools, including the Diocese of Bristol Academies Trust (DBAT) amounting to £79,000 (2021: £96,000).

Included in the Statement of Financial Activities SoFA are the gains on proceeds from the sale of two properties in 2022 which amounted to £424,000. 'Other expenditure' disclosed in the SoFA includes £266,000 of 'negative expenditure' constituting net pension adjustments (2021: £310,000). The various components of these pension adjustments are shown in note 10, as well as in the pension disclosures on pages 46 to 49.

Table 2 (on page 9) shows the reconciliation between the operating deficit of £797,000 and the overall figure for total net income before investments losses of £4,396,000 shown on the SoFA (various items of unbudgeted expenditure or income (along with the capital grants for the resourcing churches and DSF Capital contribution) that give rise to the difference between these two figures.

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The Directors are mindful of the combined pension deficit at the end of the year of £16k which relates to two pension schemes (see note 35 for details). Both deficits have resulted from the shortfall of the respective schemes' assets, compared to their calculated liabilities. Recovery plans are in place with the aim of eliminating the deficit over time. This is a significant reduction in the deficit at the end of 2021, which stood at £443k.

TABLE 1 – ACTUAL vs. BUDGET 2022	SYNOD BUDGET £000	2022 ACTUAL £000	VARIANCE £000	2021 ACTUAL £000
INCOME				
Parish Share	5,500	5,262	-238	5,114
Local fee income (from weddings and funerals etc.)	277	258	-19	263
Grants	1,711	1,936	+225	1,866
Investment income (incl glebe)	1,015	1,022	+7	979
Property income	284	408	+124	332
Contribution to Diocesan Support Services	32	20	-12	40
TOTAL INCOME	8,819	8,906	+87	8,594
EXPENDITURE				
Clergy Stipends	3,374	3,057	-317	3,533
Other parochial ministry costs	840	835	-5	780
Initial ministerial training	1,740	1,621	-119	1,665
Property costs	1,559	2,092	+533	1,512
Diocesan Support Services (staff)	1,210	1,351	+141	1,232
Diocesan Support Services (non-staff)	719	910	+191	703
National Church	270	251	-19	270
TOTAL EXPENDITURE	9,712	10,117	+405	9,696
NET INCOME BEFORE OTHER FUNDS	-893	-1,211	-318	-1,101
Income from 'other funds'	267	250	-17	236
Expenditure from 'other funds'	-255	-290	-35	-273
Funding from DSF capital funds	200	454	+254	244
NET INCOME / (DEFICIT)	-681	-797	-117	-894

The 'other funds' detailed above relate to ancillary DBF funds, including the DBF Clergy Charities, which provides small welfare grants to clergy, the Educational Foundations funds and two Fresh Expressions.

TABLE 2 – Reconciliation of deficit to Statement of Financial Activities (SOFA)	£000
OVERALL OPERATING DEFICIT (as above)	-797
Exceptional items (that were not budgeted)	
Unrealised gains/losses on investments	-3990
Realised gains on sale of property & land (shown in 'Other Income' on the SOFA)	+424
Annual net actuarial pension scheme adjustments	+266
Funding from DSF Capital funds for improvements to housing	-417
Actuarial gains on pension schemes	+161
Educational Foundations grant for Deanery School (agreed in earlier years)	-50
Capital grants (received for the Resourcing churches)	+7
NET MOVEMENT IN FUNDS (per SOFA on Page 22)	-4,396

Significant Property Transactions

The DBF spent £429,000 (2021: £244,000) on necessary improvements to benefice houses in the year from the Diocesan Stipends Capital Fund. The Diocesan Stipends Capital Fund is available for providing and improving benefice and glebe properties and when invested provides income for clergy stipends. One surplus property and two pieces of land were sold, no properties were purchased during 2022.

Balance sheet position

The Directors consider that the balance sheet together with details in note 28 show broadly that the restricted and endowment funds are held in an appropriate mix of investments and current assets given the purposes for which the funds are held.

During 2022, net assets have decreased, totalling £73,294,000 at the balance sheet date compared to £77,690,000 at the end of 2021. In addition to the operating deficit, the principal negative amount was the unrealised losses on investments of £3,990,000 which reflected the stock market performance in 2022. It is worth highlighting that within net assets total, are properties, mostly used for ministry, whose value amounted to £33,969,000 (2021: £33,836,000). Of the remainder of the net assets shown in the balance sheet, £42,321,000 are held in endowment funds and a further £9,824,000 in restricted funds and cannot be used for the general purposes of the DBF.

Reserves policy

The reserves policy of the DBF applies to three distinct levels of its operations.

On one level, the policy is to ensure sufficient funds are available to maintain the smooth, ongoing operations of the DBF. The management of these reserves helps the DBF to ride out daily cash flow requirements, which can be quite substantial considering that the largest item of expenditure (clergy stipends) is paid monthly but the largest income source (Parish Share) tends to come in unevenly across the year overall.

On a second level, the policy is to maintain the minimum level of cash and liquid assets in order to permit the DBF to fulfil its immediate financial commitments and effect a smooth transition should a major change or disruption occur to its operations.

Finally, the policy is to maintain sufficient invested reserves, in order to minimise the call made on parishes to support the work of the Diocese. The annual cost of ministry and related support costs are not wholly covered by annual Parish Share receipts in the DBF budget and a significant factor in bridging this gap is the income generated by historic reserves. The DBF is willing to use its reserves to invest in future ministry and support the Diocese's strategic initiatives, with a view to these becoming self-sustaining over time.

The total of unrestricted funds (designated and undesignated) at 31st December 2022 amounted to £21,149,000 (as shown in note 28), of which £11,196,000 was held in marketable securities and £11,699,000 is tied up in tangible fixed assets (as shown in note 28), which is sufficient to meet this policy.

The required reserves figure (based on the first two levels above) is estimated to equate to at least three months of general fund expenditure and would amount to approximately £2,252,500. At 31st December 2022, net current assets were £9,014,000 (this amount includes all unrestricted investments, general fund current assets and general fund creditors, as shown in note 28). Successive operating deficits over recent years and the purchase of various properties has reduced the DBF's liquid assets and the DBF renewed a £2m bank borrowing facility in mid-2021 as a result. The DBF's cash flow continues to be monitored closely. The DBF has a number of other endowment and restricted funds which are represented by investments and fixed assets. The purpose of these funds is detailed in note 29 of the financial statements.

Grant making policy

The DBF made a grant of £251,000 (2021: £270,000) to the Archbishops' Council of the Church of England in 2022, as a contribution towards the costs of supporting the National Church Institutions, grants and contributions to other organisations and mission agencies' pension contributions; details of the amounts paid are shown in note 13. Bristol Diocesan Clergy Charities makes grants to diocesan clergy and their dependants, who are in conditions of need, hardship, or distress; to advance the education of children of diocesan clergy; and to assist with the holiday expenses of clergy. Other grants made from time to time by the DBF are approved by the Directors in each year's budget.

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Loans policy

The DBF advances loans to parishes largely to facilitate fabric works in support of their overall mission and ministry. Interest-free loans of up to £10,000 (formerly £5,000) are made from DBF funds, with larger loans being obtained through the CBF Diocesan Loan Scheme, if available, or directly from the DBF's own funds, subject to availability and eligibility criteria. These are considered to be concessionary loans in accordance with Section 34 of FRS102.

Investment policy

The DBF has power to invest funds not immediately required for operational purposes in such concerns, securities, or properties as it thinks fit. The Directors have resolved to invest such funds mainly within the various CBF Funds, managed by CCLA Investment Management Limited, which also operates the ethical investment policy of the National Church Institutions. The overall investment objective is to maintain long term real (i.e.net of inflation) capital value; maximise total return (income and capital), with medium risk. The DBF has also committed to a fossil-free investment portfolio. The Finance Committee monitors investment performance through quarterly reports from the Investment Advisers. The majority of investments are held as permanent endowments for the long-term and therefore the Directors' investment advisers continue to recommend no material change to the current investment strategy. The investments held and their returns during the year are set out in the following table:

	Funds at 31 st December 2022 £'000s	Proportion of portfolio	Income yield in year	Total Return* in year (gross)
CBF Investment Fund	21,565	60.70%	2.99%	-8.69%
CBF Global Equity Fund	8,366	23.55%	2.84%	-11.04%
CBF Property Fund	2,415	6.80%	4.99%	-7.80%
CBF Fixed Interest Fund	621	1.75%	2.72%	-10.82%
Other investments	2,558	7.20%	3.07%	1.43%
	35,525	100.00%		

*Capital and income

Connected Charities

The Foundation of Saint Matthias (registered charity number 311696) is administered by the COO and Clerk/Administrator (who became employees of the Trust from October and November 2022, respectively). Formerly, all affairs were administered by St Matthias Administrator (an employee of BDBF. The BDBF was paid £31,583 for all admin and accountancy services to the Foundation (2021 - £33,271). The Bristol Diocesan Board of Education received grants totalling of £39,500 (2021 - £50,000), funding the diocesan resource centres, providing in-service training and training resources for teachers.

The Bristol Diocesan Board of Education were awarded a further grant of £7,000 (2021 - £6,000). This funding supports the important work of raising the profile of chaplaincies in FE Colleges.

Many of the Directors are involved with charitable bodies which are potentially beneficiaries to or from the DBF and a register is kept of these involvements. The Directors are mindful of their duties as Trustees of this charity and ensure that possible conflicting interests are declared and that all decisions are reached on a proper basis.

Grants Received

The DBF is thankful to the various grant-making bodies that have supported the work of the Diocese of Bristol during 2022. Significant grants were received by the DBF during the period, including £449,000 from the Archbishops' Council; £178,000 from the Temple Ecclesiastical Charity; £129,000 from Allchurches Trust and £60,000 from the Bristol Archdeaconry Charity.

Further details of grants and donations received in the year are shown in note 3.

Directors

None of the Directors have received any emoluments from the DBF in their capacity as Directors or for services to the DBF. However, included in clergy stipends are the emoluments and expense reimbursements of certain Directors who have been paid in respect of their duties as clergy. Note 14 to the accounts details transactions with the Directors during the year. As in previous years, the DBF has maintained insurance cover against losses arising from claims against it for wrongful acts committed by its Directors and officers.

Charitable contributions

Charitable contributions have been paid as normal expenditure in the pursuance of the DBF's objects. No political contributions have been made.

Taxation status

The DBF is a registered charity and, as such, is able to claim certain exemptions from Corporation Tax. No provision for tax is considered necessary.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors, through an Audit and Risk Committee, which normally meets three times per year, have continued the process of examining the major strategic and operational risks which the DBF faces. They hold and monitor a register of the significant risks, assessing the probability of occurrence and likely impact if they were to occur.

In 2022, the Audit and Risk Committee continued to use the framework for identifying and managing risk that was adopted in 2017. This framework requires the Directors to set their corporate appetite for risk in four areas (finance, reputation, engagement and operations) and has been designed to provide clarity about the operational and strategic risks facing the DBF. The impact and likelihood of each risk have been scored and the top scoring risks above the appetite of the Directors are as follows, along with their mitigation strategies:

Income from Parish Share is insufficient to meet the financial commitments and the strategic plans of the Diocese.

Mitigation:

- Embed the new approach to Parish Share, with active engagement with parishes;
- Sustain the roll-out of stewardship initiatives and tools to encourage generosity (e.g. Parish Giving Scheme, contactless etc.), with support of Giving & Resources Adviser(s), Archdeacons and other champions;
- Utilise Total Return Accounting, and a new approach to income generation to sustain, and grow income levels;
- Continue to exercise taut financial control and;
- Utilise national and local grant funding to invest in missional growth.

Societal challenges post-Covid, and the cost-of-living crisis, have a long-term impact on the Diocese's ability to maintain and grow its ministry.

Mitigation:

- Continue to assess the long-term impact of the current environment on ministers and parishes, including sustainability (people or finances); individual and corporate resilience; capacity and innovation and;
- Through TC.T, invest in the wellbeing and capability of our Ministers and give more direct support to parishes to be outward-focussed and welcoming, especially to U18s and people from Protected Characteristics.

Serious safeguarding case identified (past or current)

Mitigation:

- Ensure swift action is taken if a situation does arise, with effective safeguarding provision available through the diocesan safeguarding adviser, training officers and caseworkers;
- Ensure safer recruitment, training, policies applied and audited at diocesan and parish level;
- Effective oversight and scrutiny by the Diocesan Safeguarding Steering Group (DSSG); and
- Continuation of positive safeguarding leadership, communication and culture.

Transforming Church. Together (TC.T) program and project risks of delivery

Mitigation:

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- Deliver good governance and program management through the new Transformation team.
- Carefully assess performance against the budget, objectives, and timelines.
- Learn, and adapt our work, where necessary.
- Continue to communicate with ministers and parishes in an engaging and supportive way.

On the 28th April 2023 the Diocese was awarded funding, on behalf of the Archbishops' Council, for £6,820,935 to support our TC.T programme. Further details on income receipts and reporting spend are currently awaited.

COVID-19

The Directors have considered the impact that the COVID-19 pandemic and the cost-of-living crisis will have on the DBF's future financial position. These include the impact on Parish Share, which is highly related to the income and expenditure of parishes. The Diocese remains vigilant of any resurgence in Covid, or any other pandemic, which might restrict the Diocese activities and for worship in the future. In particular:

- Supporting parishes to sustain ministry and mitigate the loss of income;
- Careful management of cash balances to ensure sufficient liquidity; and
- Reducing and deferring expenditure, where possible and appropriate.

The Directors consider that the DBF will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The DBF has sufficient cash to meet short-term needs; and
- The DBF could increase borrowing or sell assets (property or investment) if required.

The Trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

STRUCTURE AND GOVERNANCE

Organisational structure

The DBF is governed by its Memorandum and Articles of Association, but also has to work in accordance with the requirements of the Synodical Government Measure 1969, which is regularly updated by means of its Schedule 3 'Church Representation Rules'.

The Articles provide that the members of the Standing Committee (Bishop's Council) shall be the Directors. The Bishop's Council and Standing Committee are elected triennially by the houses of clergy and laity of the Diocesan Synod, in accordance with Church Representation Rules. Certain officers of the Diocese are *ex-officio* members of the Bishop's Council and Standing Committee. The Chairman and Vice-Chairman of the Board are elected at the next General Meeting following the election of members. All members of the Diocesan Synod who are not DBF employees are entitled to be members of the company.

Following election, the Board of Directors are provided with information about their duties and responsibilities as Charity Trustees and Company Directors. This training last took place in February 2022 at the beginning of the Director's three-year term.

The new DBE Measure 2021 required each Diocese to make a Scheme appointing an incorporation for the Board of Education, in this case, to the Bristol Diocesan Board of Finance, and then delegating this function to a committee, the DBE. A new Scheme and Terms of Reference were agreed with the DBE to define its authority, mechanisms and Board composition. The Bishop of Swindon continued to chair this Board. This is an exciting step forward for Bristol DBE integrating the DBE into the main vision and strategy of the diocese and developing the visibility of schools and wider education work. It enhances the relationship between our schools, churches and households across the life of the diocese.

Decision making structure

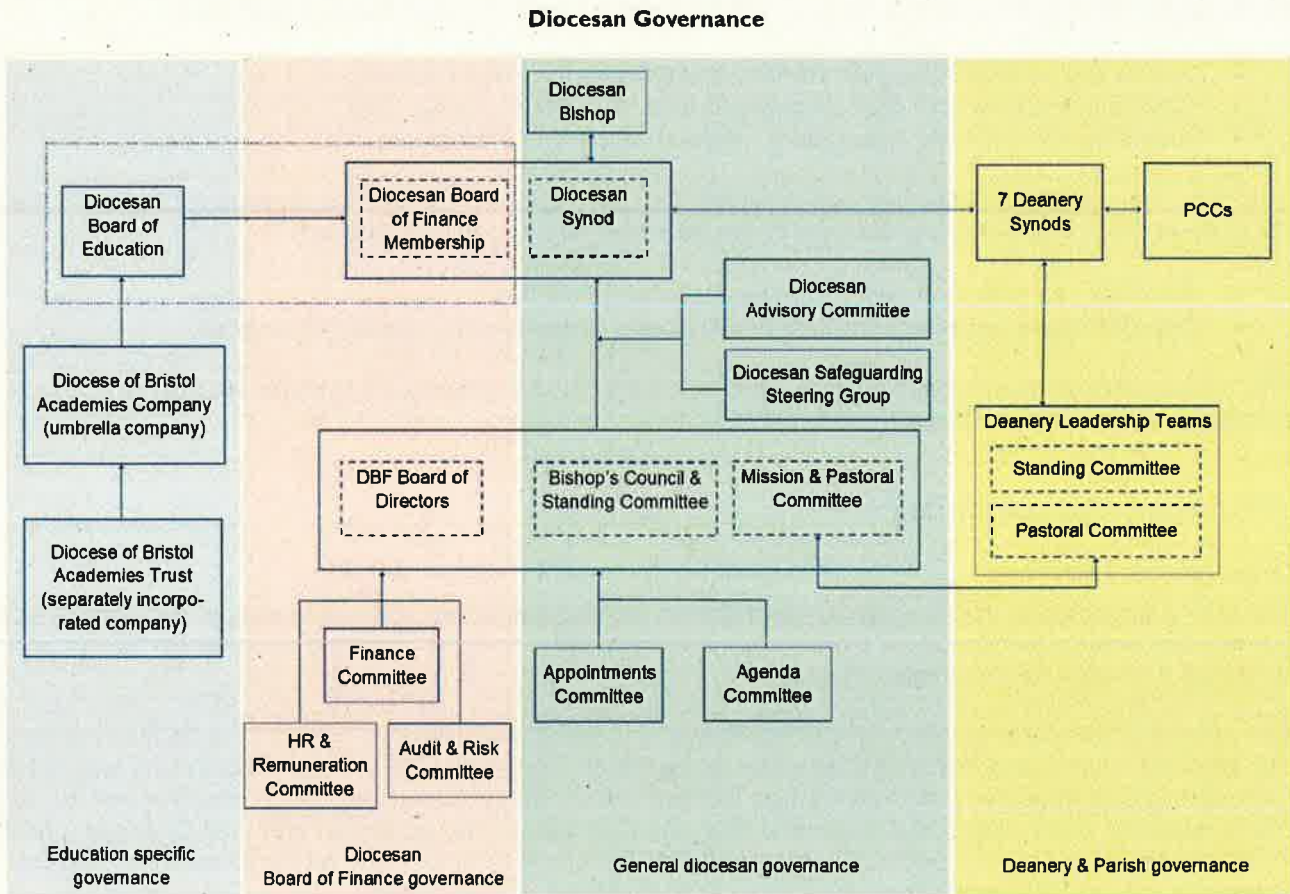
The Bishop's Council and Directors met nine times in 2022. All financial related business between Directors' meetings is dealt with by the Finance Committee, which met seven times in 2022. On behalf of the Directors, the Committee deals with such matters as the annual accounts, the receipt of Parish Share and the management of the DBF's corporate property, investments and its role as Diocesan Authority for Parochial Trusts (DAPT). It also deals with matters relating to the work of the Parsonages Board and the Diocesan Board

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of Education. The DAPT makes suggestions to the Bishop's Council about the appropriate level of stipends for the clergy and it deals - usually through the Chairman and the Remuneration Committee - with staff remuneration and conditions of service. There is currently no Remuneration Committee and consideration of establishing one maybe undertaken in 2023.

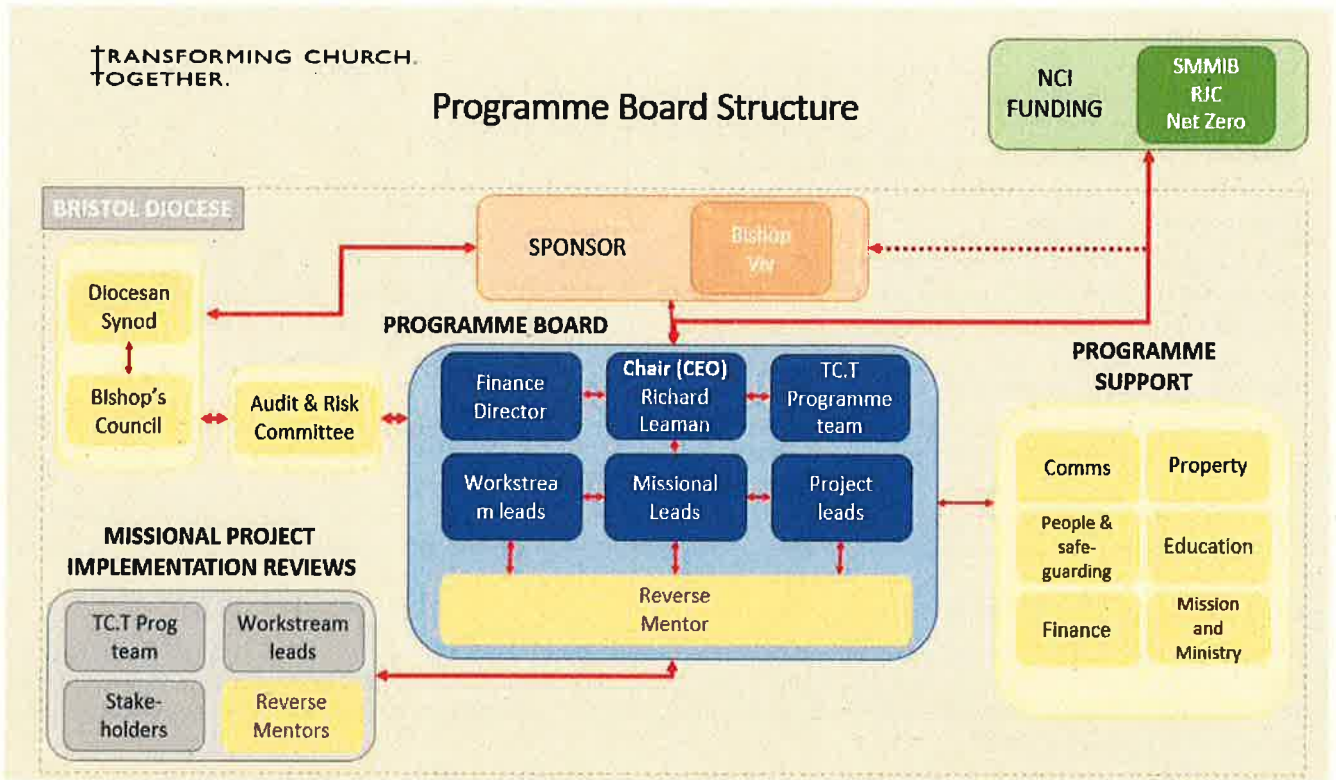
The DBF, although a fully independent charity, is one of 42 Dioceses in the Church of England, which itself is governed under the Synodical Government Measure 1969 by General Synod and the Archbishops' Council.

The diagram below shows the overall structure of diocesan governance and the interaction between different committees and bodies.



TC.T Governance

Pending Diocesan Synod approval, the TC.T programme will utilise our existing governance structure to manage and implement the strategy. The process can be understood visually as follows:



Remuneration of key management personnel

Emoluments of higher-paid employees are based on job evaluation and remuneration levels are scrutinised by the HR. The HR Director makes recommendations to the Finance Committee and its terms of reference include remuneration and HR policy.

Public benefit

The Directors consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and in particular the Commission's guidance in *The Advancement of Religion for the Public Benefit*; the Directors believe they have had regard to the duty in their administration of the DBF.

The Directors believe that, by promoting the work of the Church of England in the Diocese of Bristol, the DBF helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the Diocese as a whole and in its individual parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

The Directors believe that this report, taken as a whole, provides evidence that the DBF's work in 2022 furthered its charitable purposes for the public benefit.

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Constitution

The Bristol Diocesan Board of Finance Limited (the DBF) is a company limited by guarantee registered under the Companies Act, number 156243. It is also a registered charity, number 248502, registered in England and Wales. The principal office and registered office of the charity is Diocesan Office, First Floor, Hillside House, 1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU.

Directors and Trustees

The Directors of the Board of Finance are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Directors. This report constitutes the Trustees' report for charity law purposes and the Directors' report for Companies Act purposes.

Delegation of day to day delivery

The names of all those who were Directors on the date the report was approved are given on page 17 of this report, as are the names of any who served as Directors from the start of the financial year.

The name of the Diocesan Secretary (Chief Administrative Officer), to whom day to day management of the charity has been delegated, and the names and addresses of professional advisers are to be found on page 18.

Funds held by the DBF as trustee

In February 1998, the Charity Commissioners issued a scheme making the DBF the sole Trustee of the charity known as the Bristol Diocesan Clergy Charities. The accounts of this charity have been aggregated into these financial statements as they are administered by the DBF and held for specific purposes which are within the general purposes of the DBF.

By virtue of the Parochial Church Council (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners schemes, the DBF is the Diocesan Authority over certain assets held on permanent trusts. These assets have not been aggregated in these financial statements, since the DBF does not control them. Separate financial statements have been prepared to account for the DBF's stewardship of these assets, and full trust accounts for each trust are the responsibility of the managing trustees in each case. Copies of the separate financial statements are available from the Secretary at the Registered Office of the DBF.

Funds held on behalf of schools

The Diocesan Board of Education (DBE) is incorporated within the DBF and receives contributions from governors of voluntary-aided church schools within the Diocese in connection with major repair and capital projects to church schools and also government grants in connection with the same. The DBE administers these monies as managing agent and makes appropriate payments to contractors for work carried out. The monies do not belong to the DBE and as such the receipts and payments are not treated as income and expenditure in the Statement of Financial Activities. Any monies held at the balance sheet date are treated as creditors on the balance sheet.

The amount included in creditors as at 31st December 2022 is £1,880,599 (2021: £997,960). This increase is due to the sale of St George's Annexe for £1,154,160 in 2022.

Suppliers, customer and others

During 2022, the DBF has had regard to the need to foster the organisation's relationships with suppliers, customers and others.

TRUSTEES' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and Strategic Report and the financial statements in accordance with applicable law and regulations.

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

- select the most suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Statement of disclosure to Auditors

So far as the Directors are aware,

- a) there is no relevant audit information of which the charitable company's Auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's Auditors are aware of that information.

Appointment of Auditors

A resolution to appoint auditors to the Company and to authorise the Directors to fix their remuneration will be proposed at the Annual General Meeting.

ADMINISTRATIVE DETAILS

Directors and Trustees

The following served as Directors and Trustees from 1st January 2022 to the date this report was approved (unless shown otherwise):

<i>President:</i>	The Rt Rev Dr V F Faull, Bishop of Bristol *
<i>Chairman:</i>	Canon A J S Lucas *
<i>Vice Chairman:</i>	Mr R Bacon (from 28 th March 2022) *
	The Ven C P Bryan *, Archdeacon of Malmesbury
	The Rev B Charles (from 1 st January 2022) *
	Professor D N Clarke *
	Mr B A Fynamore
	The Very Rev A Ford, Dean of Bristol
	Mrs C Jefferis (from 1 st January 2022)
	The Rt Rev Dr L S Rayfield, Bishop of Swindon (retired on 31 st April 2023)
	Mrs A Rowe (from 1 st January 2022)
	Mrs A Scott (from 1 st January 2022 until 19 th March 2023)
	The Rev D Stephenson (from 1 st January 2022)
	Mr J Sunderland
	The Ven N M Warwick *, Archdeacon of Bristol
	The Rev T A Wigley *
	The Rev K A Smith (from 19 th November 2022)

* *Members of Finance Committee in 2022*

**The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2022 (cont)**

Senior management and advisers

Diocesan Secretary (from 1/1/2022)	Rear Admiral Richard Leaman CB OBE
Deputy Diocesan Secretary	Mr Matthew Hall FCA resigned 10/07/2022
Deputy Diocesan Secretary, Director of People & Safeguarding	Mrs Caroline Jowett-Ive
Director of Finance and Technology (Interim 29 th June 2022, appointed 4 th April 2023)	Mr Jeff Loo FCMA
Director of Communications	Ms Sally Cordwell Resigned 31/03/2022
Head of Governance & Property (to 31/10/2021)	Mrs Sally Moody Retired 15/09/2022
Director of Ministry Development	The Rev Dr Simon Taylor
Diocesan Director of Education	Ms Liz Townend
Director of External Relations	Harrison Leonard (Appointed 19/9/2022)

Company Secretary Mr Matthew Hall resigned 10/7/2022
Richard Leaman appointed 10/7/2022

Registered Office 1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU.

Auditors Mazars LLP
90 Victoria Street
Bristol, BS1 6DP.

Solicitors Stone King LLP
Boundary House 91 Charterhouse Street, London EC1M 6HR

Bankers National Westminster Bank plc
40 Queen's Road, Clifton, Bristol, BS8 1BF.

Insurers Ecclesiastical Insurance Group
Beaufort House, Brunswick Road, Gloucester, GL1 1JZ.

Investment Advisers CCLA Investment Management Limited
Senator House, 85 Queen Victoria Street,
London, EC4V 4ET.

Evelyn Partners
4th Floor, Portwall Place, Portwall Lane, Bristol, BS1 6NA

This report, which incorporates the Strategic Report, was approved by the Directors of the Bristol Diocesan Board of Finance Limited on 31st May 2023 and signed on their behalf by



Andrew Lucas
Chairman

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

Opinion

We have audited the financial statements of The Bristol Diocesan Board of Finance Limited (the 'company') for the year ended 31st December 2022 which comprise The Statement of Financial Activities, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 company's affairs as at 31st December 2022 and of its result 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 trustees' responsibilities statement set out on page 16, the trustees 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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 the financial statements.

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

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006 and the Charities Act 2011.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to defined benefit pension obligations, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

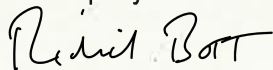
- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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



Richard Bott (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol, BS1 6DP

24 July 2023

The Bristol Diocesan Board of Finance Limited
Statement of Financial Activities
as at 31 December 2022

	Note	Unrestricted		Restricted	Endowment	2022	2021
		Undesignated	Designated	Funds	Funds	Total	Total
		Funds	Funds			Funds	Funds
		£,000	£,000	£,000	£,000	£,000	£,000
Income and endowments from							
Donations	3						
Parish Share contributions		5,262	-	-	-	5,262	5,114
National Church Institutions (NCIs)		589	-	651	-	1,240	1,174
Other donations		661	-	17	-	678	684
Charitable activities	4	339	-	-	-	339	311
Other activities	5	431	-	5	-	436	376
Investments	6	384	163	658	-	1,205	1,190
Gains/(Loss) on sale of assets	7	434	-	-	(10)	424	521
Total income		8,100	163	1,331	(10)	9,584	9,370
Expenditure on							
Raising funds	8	123	15	17	-	155	132
Charitable activities	9	8,782	147	848	454	10,231	9,834
Other expenditure & adjustments	10	(249)	1	13	-	(235)	(257)
Total expenditure		8,656	163	878	454	10,151	9,709
Net income / (expenditure) before other gains		(556)	-	453	(464)	(567)	(339)
Net gains / (losses) on investments		(155)	(923)	(1,242)	(1,670)	(3,990)	5194
Net income		(711)	(923)	(789)	(2,134)	(4,557)	4,855
Transfers between funds	15	100	132	-	(232)	-	-
Actuarial gains / (Losses) on pension schemes		161	-	-	-	161	71
Net movement in funds		(450)	(791)	(789)	(2,366)	(4,396)	4,926
Funds brought forward		9,782	12,608	10,613	44,687	77,690	72,764
Funds carried forward	27	9,332	11,817	9,824	42,321	73,294	77,690

The Bristol Diocesan Board of Finance Limited
Income and Expenditure
as at 31 December 2022

All activities relate to continuing activities.

	2022 £,000	2021 £,000
Total income	9,584	9,370
Total expenditure	(10,151)	(9,709)
Operating surplus for the year	<u>(567)</u>	<u>(339)</u>
Net gains / (losses) on investments	(3,990)	5194
Net income for the year	<u>(4,557)</u>	<u>4,855</u>

The notes on pages 26 to 50 form part of these financial statements.

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

The Bristol Diocesan Board of Finance Limited
Balance Sheet
as at 31 December 2022

	Note	£,000	2022 £,000	£,000	2021 £,000
FIXED ASSETS					
Tangible assets	16-18		34,007		33,869
Investments	19		40,191		44,123
			<u>74,198</u>		<u>77,992</u>
CURRENT ASSETS					
Debtors	20-21	1,328		1,268	
Cash on deposit	22	3,439		3,099	
Cash at bank and in hand	22	416		517	
		<u>5,183</u>		<u>4,884</u>	
CREDITORS: amounts falling due within one year	23	(1,545)		(1,521)	
NET CURRENT ASSETS			<u>3,638</u>		<u>3,363</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>77,836</u>		<u>81,355</u>
CREDITORS: amounts falling due after more than one year	24		(4,542)		(3,665)
NET ASSETS	28		<u>73,294</u>		<u>77,690</u>
FUNDS					
Endowment funds	27				
Endowment funds		12,421		13,117	
Endowment funds revaluation reserve		29,900		31,570	
		<u>42,321</u>		<u>44,687</u>	
Restricted funds					
Restricted funds		6,818		6,365	
Restricted funds revaluation reserve		3,006		4,248	
		<u>9,824</u>		<u>10,613</u>	
Unrestricted funds					
Unrestricted funds		14,225		14,815	
Revaluation reserve		6,940		8,018	
Unrestricted funds excluding pension liability		<u>21,165</u>		<u>22,833</u>	
Pension reserve		(16)		(443)	
			<u>21,149</u>		<u>22,390</u>
TOTAL FUNDS			<u>73,294</u>		<u>77,690</u>

The Cash Flow Statement and the Notes form part of these financial statements. The financial statements were approved and authorised for issue by the Directors of the Bristol Diocesan Board of Finance Limited on 23rd May 2023 and signed on their behalf by



Andrew Lucas
Chairman

The Bristol Diocesan Board of Finance Limited
Cash flow statement
for the year ended 31st December 2022

	2022 £,000	2021 £,000
Net cash inflow / (outflow) from operating activities	(792)	(3,090)
Cash flows from investing activities		
Dividends, interest and rent from investments	1,205	1,170
Proceeds from the sale of:		
Tangible fixed assets	542	521
Fixed asset investments	176	55
Purchase of:		
Tangible fixed assets for the use of the DBF	(270)	(121)
Fixed asset investments	(173)	(90)
Transfer of assets (from BMHT)	—	—
Net cash provided by / (used in) investing activities	1,480	1,535
Cash flows from financing activities		
Loans repaid by the DBF	(449)	(2,088)
New loans received by the DBF	0	2,000
Net cash provided by / (used in) financing activities	(449)	(88)
Change in cash and cash equivalents in the period	239	(1,643)
Cash and cash equivalents at 1st January	3,616	5,259
Cash and cash equivalents at 31st December	3,855	3,616
Reconciliation of net movements in funds to net cash flow from operating activities		
Net movement in funds for the year ended 31st December	(567)	(339)
Adjustments for:		
Depreciation charges	42	33
Dividends, interest and rent from investments	(1,205)	(1,170)
(Profit) on sale of functional assets	(424)	(521)
(Profit) on sale of fixed asset investments	(39)	(8)
(Increase) / decrease in debtors	(60)	(95)
(Decrease) / increase in creditors (excl. loans)	1,460	(990)
Net cash provided by / (used in) operating activities	(793)	(3,090)
Analysis of cash and cash equivalents		
Cash in hand	416	517
Notice deposits (less than 3 months)	3,439	3,099
	3,855	3,616

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

BACKGROUND INFORMATION

These financial statements comprising the Statement of Financial Activities, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes 1 to 38 constitute the individual financial statements of The Bristol Diocesan Board of Finance Limited for the financial year ended 31st December 2022.

The Bristol Diocesan Board of Finance Limited is a private company limited by guarantee, incorporated in England & Wales. The address of its registered office is Diocesan Office, First Floor, Hillside House, 1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU, which is also the principal place of business. The principal activities of the entity are described in the legal objects section on page 2 of the Annual Report of the Directors.

The financial statements have been presented in Pound Sterling as this is functional currency of the DBF and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

1. ACCOUNTING POLICIES

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

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The Bristol Diocesan Board of Finance Limited meets the definition of a public benefit entity under FRS 102.

GOING CONCERN

The Directors have reviewed the anticipated performance for a period of at least twelve months from the date of approval of the financial statements and concluded that there is no material uncertainty regarding the DBF's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the Directors consider it appropriate to prepare the financial statements on a going concern basis. The Directors consider that the DBF has sufficient reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

a) Income

All income is included in the Statement of Financial Activities (SOFA) when the DBF is legally entitled to them as income or capital, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

i) Parish Share

The principal source of income of the DBF is Parish Share, and amounts undertaken to be paid by parishes for the year, but not received by the year-end, are only accrued if received on or before the 31st January 2022.

ii) Rent

Rent receivable is recognised as income in the period to which it relates.

iii) Interest and dividends

The amounts shown in the accounts in respect of interest represent the income received in the year and no account has been taken of accrued interest. Dividends from investments reported in these financial statements are recognised when they become receivable.

iv) Grants and donations

Income from grants and donations is recognised on receipt, except where it relates specifically to expenditure to be incurred at a future date, in which case the income is deferred in the balance sheet.

v) Parochial fees

Income due to the DBF in respect of parochial fees is recognised as income of the year to which they relate.

vi) Gains on disposal of fixed assets for the DBF's own use

Gains on the disposal of non-investment assets are accounted for as other income. Losses on disposal of such assets are accounted for as other expenditure.

vii) Diocesan Stipends Fund (DSF) income

The Stipends Fund Capital account is governed by the Diocesan Stipends' Measure 1953, as amended, and the use of the income restricted for clergy stipends. However, the income is fully expended within the year of receipt and legal restrictions, therefore, are satisfied. This income is included in the restricted column on the Statement of Financial Activities and as a transfer to the unrestricted fund, where the related expenditure is shown.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

b) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

i) Costs of raising funds

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

ii) Charitable expenditure

Charitable expenditure is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry in the parishes of the diocese, expenditure relating to the running of the diocesan retreat centre, and expenditure on education and Church of England schools in the diocese.

iii) Grants payable

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure where the conditions attaching are fulfilled.

iv) Support costs

Support costs consist of central management, administration and governance costs. The amount spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff time basis.

v) Pension contributions

Current DBF staff are members of a defined contribution scheme and clergy are members of the Church of England Funded Pensions Scheme (see note 35). The pension costs charged as resources expended represent the DBF's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding for the pension schemes to which DBF participates is accrued at current value in creditors distinguished between contributions falling due within one year and after more than one year.

The DBF operates a defined benefit pension scheme, now closed to new members. The amounts charged to the SOFA are the current service costs and gains and losses on settlement and curtailments. They are included as part of other expenditure in the SOFA. Past service costs are recognised immediately in the SOFA if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs in other expenditure. Actuarial gains and losses are recognised immediately at the bottom of the SOFA.

The defined benefit scheme is funded, with the assets of the scheme held separately from those of the company, in a separate trustee-administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent current and term to the scheme liabilities. The actuarial valuation is obtained at least triennially and is updated at each balance sheet date.

c) Tangible fixed assets and depreciation

i) Freehold properties

Freehold properties have been valued using the mid-point of the applicable council tax band, adjusted to 1st January 1993 by an appropriate index, or cost where known. Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case, and because their expected residual value is not materially less than their carrying value. The DBF has a policy of regular structural inspection, repair and maintenance, which in the case of residential properties is in accordance with the Repair of Benefices Buildings Measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties generally occur well before the end of their economic lives and disposal proceeds are usually not less than their carrying value. The Trustees perform annual impairment reviews in accordance with the requirements of FRS102 to ensure that the carrying value is not more than the recoverable amount.

Redundant churches have been valued at £1,000, reflecting the uncertainty of whether they will be sold by the DBF.

ii) Properties subject to value linked loans

Properties which have been bought with the assistance of value-linked loans from the Church Commissioners are valued at cost, with the corresponding value of the related loan at the balance sheet date shown within creditors.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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iii) Investment properties

Glebe land has been valued at market value, using an appropriate value per acre, by Arthur Witchell FRICS of Savills UK, based on recent professional valuations and many years' experience of rural estate management. Other glebe properties are valued at market value provided by T J Maggs MRICS of Maggs and Allen, based on many years of experience of property valuations in the area.

iv) Parsonage houses

The DBF has followed the requirements of FRS102, in its accounting treatment for benefice houses (parsonages). FRS102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The DBF is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent. The Trustees therefore consider the most suitable accounting policy is to capitalise such properties as expendable endowment assets and to carry them at the mid-point of the applicable council tax band, adjusted to 1st January 1993 by an appropriate index, or cost where known.

v) Refurbishment costs and office equipment

Refurbishment costs are capitalised and depreciated over ten years using the straight-line method. Office equipment and furniture is capitalised and depreciated over three years using the straight-line method. Grants made for capital expenditure on church and other buildings not in the DBF's ownership are written off in the year the grant is made.

d) Other tangible fixed assets

All capital expenditure over £5,000 is capitalised and depreciated as follows. Depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives at the following initial rates:

Fixtures and fittings	10% -33% per annum	straight-line basis
IT equipment	33% per annum	straight-line basis

e) Other accounting policies

i) Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

ii) Leases

The DBF has entered only into operating lease arrangements for the use of certain assets, the rental for which is charged in full as expenditure in the year to which it relates. Where rent free periods are given as part of an operating lease, the impact of this rent free period is reflected in the Statement of Financial Activities over the lease term.

iii) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

f) Fund balances

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

i) Unrestricted funds

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the DBF and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Long-term liabilities in respect of defined benefit pension scheme deficits are shown in a specific undesignated pension reserve fund. This is a deviation from the recommendations of the Diocesan Annual Report and Financial Statements Guide (5th Edition).

ii) Restricted funds

Restricted funds are funds which have been raised by the DBF for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

iii) Endowment funds

Permanent endowment funds are a particular type of restricted fund which must be held permanently and the capital of the fund maintained. Expendable endowment funds are similar to permanent endowments except that there is power of discretion to convert endowed funds into income to be expended.

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Notes to the Accounts
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JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Benefice houses recognition

Benefice houses are legally vested in the incumbent of the benefice. However, the DBF has recognised these properties as functional assets of the DBF on the basis that the DBF carries both obligations in terms of maintenance and improvement and object related benefits of ownership.

Depreciation of freehold properties

The DBF does not depreciate its freehold properties as it judges any depreciation charge to be immaterial on the basis of the long life of the asset and high residual value on the basis of the DBF policy of regular maintenance. The DBF carries out periodic impairment reviews to ensure that properties are not being carried at values exceeding their fair value.

Revaluation of investment properties

The entity carries its investment property at fair value, with changes in fair value being recognised in the Statement of Financial Activities. The entity engaged independent valuation specialists to determine fair value at 31st December 2015 and has considered market movements since this date. The valuer used a valuation technique based on a value per acre of agricultural land and the market value for residential properties. The determined fair value of the investment property is most sensitive to the estimated value per acre of the particular land asset in question.

Pension and other post-employment benefits

The cost of defined benefit pension plans and other pension related provision are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty.

In determining the appropriate discount rate, management considers the interest rates of corporate bonds with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates and for the clergy pension scheme assumptions have been made about the number of future clergy in post.

Discount rate

Further details are given in note 35.

Small values

Values which are £Nil are shown as - ; those below £500 are shown as 0.

2. MOVEMENT IN FUNDS FOR THE YEAR

	2022	2021
	£,000	£,000
The net income for the year is stated after charging:		
Auditors' remuneration	22	21
Auditors' non-audit remuneration	-	-
Depreciation	6	33
Operating lease charges – plant and equipment	111	109
Interest payable on loans wholly repayable: within one year	14	42
Interest payable on loans wholly repayable: between one and five years	0	6
Interest payable on loans wholly repayable: after more than five years	14	21
	<hr/>	<hr/>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

3. DONATIONS

Parish Contributions

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

	Unrestricted Funds General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2022 £,000	Total funds 2021 £,000
Pledges received from parishes	5,190				5,190	5,239
Shortfall in contributions	(58)				(58)	(241)
	<u>5,132</u>				<u>5,132</u>	<u>4,998</u>
Extra contributions	54				54	83
	<u>5,186</u>				<u>5,186</u>	<u>5,081</u>
Receipts for previous years	76				76	33
	<u>5,262</u>				<u>5,262</u>	<u>5,114</u>

National Church Institutions (NCIs)

	Unrestricted Funds General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2022 £,000	Total funds 2021 £,000
Lower Income Communities Funding	450				450	434
Strategic Development Funding			650		650	506
Strategic Capacity Funding						161
Strategic Ministry Funding	139				139	68
CEMES			1		1	4
Church Commissioners annuities			1		1	1
	<u>589</u>		<u>652</u>		<u>1,241</u>	<u>1,174</u>

Other donations

	Unrestricted Funds General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2022 £,000	Total funds 2021 £,000
Temple Ecclesiastical Charity	178				178	187
Allchurches Trust	129				129	118
Bristol Archdeaconry Charity	60				60	60
The Foundation of St Matthias	28				28	50
Marshall's Charity	6				6	4
Other donations	12		8		20	40
For strategic initiatives			9		9	18
For parochial ministry	70				70	109
For education work	71				71	44
For general purposes	109				109	32
Towards redundant churches	(2)				(2)	22
	<u>661</u>		<u>17</u>		<u>678</u>	<u>684</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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4. CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds £,000	Endowment Funds £,000	Total funds 2022 £,000	Total funds 2021 £,000
	General £,000	Designated £,000				
Statutory fees	258				258	263
SACRE and SIAMS	55				55	38
Schools work	10				10	6
Ministry courses	16				16	4
	<u>339</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>339</u>	<u>311</u>

5. OTHER ACTIVITIES

	Unrestricted Funds		Restricted Funds £,000	Endowment Funds £,000	Total funds 2022 £,000	Total funds 2021 £,000
	General £,000	Designated £,000				
Property rental	411				411	335
Staff seconded to other charities	20				20	40
Property services to schools			5		5	1
	<u>431</u>	<u>—</u>	<u>5</u>	<u>—</u>	<u>436</u>	<u>376</u>

6. INVESTMENT INCOME

	Unrestricted Funds		Restricted Funds £,000	Endowment Funds £,000	Total funds 2022 £,000	Total funds 2021 £,000
	General £,000	Designated £,000				
Dividends and interest receivable	384	135	658		1,177	1,176
Rents receivable		28			28	14
	<u>384</u>	<u>163</u>	<u>658</u>	<u>—</u>	<u>1,205</u>	<u>1,190</u>

7. GAINS ON SALE OF ASSETS

	Unrestricted Funds		Restricted Funds £,000	Endowment Funds £,000	Total funds 2022 £,000	Total funds 2021 £,000
	General £,000	Designated £,000				
Gains / (Losses) on sale of assets	434			(10)	424	521
	<u>434</u>	<u>—</u>	<u>—</u>	<u>(10)</u>	<u>424</u>	<u>521</u>

8. FUND RAISING COSTS

	Unrestricted Funds		Restricted Funds £,000	Endowment Funds £,000	Total funds 2022 £,000	Total funds 2021 £,000
	General £,000	Designated £,000				
Parsonage rental costs	110				110	98
Glebe agent's fee			14		14	14
Other glebe costs			3		3	19
Other rental costs		15			15	-
Commercial property costs	13				13	1
	<u>123</u>	<u>15</u>	<u>17</u>	<u>—</u>	<u>155</u>	<u>132</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

9. CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2022	2021
	£,000	£,000	£,000	£,000	£,000	£,000
Contributions to Archbishops' Council						
Training for Ministry	225				225	225
National Church Responsibilities	139				139	158
Grants and provisions	19				19	19
Support of mission agency pensions	9				9	10
CHARM	85				85	83
Pooling of ordinands maintenance	(62)				(62)	(101)
	<u>415</u>	<u></u>	<u></u>	<u></u>	<u>415</u>	<u>394</u>
Resourcing Ministry and Mission						
Parish Ministry						
Stipends, NI and pensions	2,825				2,825	3,296
Housing costs	1,505			454	1,959	1,402
Curate stipends, NI and pensions	919				919	850
Mission Area & Resourcing churches	74		530		604	797
Strategic Transformation	196		59		255	138
Other parochial costs	147	36			183	203
Removal, resettlement and grants	197		91		288	233
Chaplaincy	113				113	111
Ecumenical support	55		3		58	48
Deanery	28				28	22
Support for parish ministry	2,086	111	1		2,198	1,907
	<u>8,145</u>	<u>147</u>	<u>684</u>	<u>454</u>	<u>9,430</u>	<u>9,007</u>
Expenditure on Education						
Support for church schools	222		164		386	433
	<u>222</u>	<u></u>	<u>164</u>	<u></u>	<u>386</u>	<u>433</u>
	<u>8,782</u>	<u>147</u>	<u>848</u>	<u>454</u>	<u>10,231</u>	<u>9,834</u>

10. OTHER EXPENDITURE

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2022	2021
	£,000	£,000	£,000	£,000	£,000	£,000
Closed churches	17	1			18	33
Other costs			13		13	20
<i>Pension scheme adjustments:</i>						
Contributions paid (BDBF Staff RBS)	(85)				(85)	(83)
Interest cost (BDBF Staff RBS)	28				28	27
Contributions paid (Clergy scheme)	(120)				(120)	(224)
Remeasurement (Clergy scheme)	(89)				(89)	(31)
Interest cost (Clergy scheme)					-	1
	<u>(249)</u>	<u>1</u>	<u>13</u>	<u>0</u>	<u>(235)</u>	<u>(257)</u>

The Bristol Diocesan Board of Finance Limited
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11. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS

	Activities Undertaken Directly £,000	Grant Funding of Activities £,000	Support Costs £,000	Total Costs 2022 £,000
Fundraising costs	155			155
Charitable activities				
Archbishops' Council		414		414
Ministry and Mission	7,487	276	1,733	9,496
Education	242	79		321
Other	(235)			(235)
	<u>7,649</u>	<u>769</u>	<u>1,733</u>	<u>10,151</u>

12. ANALYSIS OF SUPPORT COSTS

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2022	Total funds 2021
	General £,000	Designated £,000	£,000	£,000	£,000	£,000
Diocesan Office functions	480	111			591	440
Finance and Information Services	476				476	452
Advisory services	184				184	154
Safeguarding	142				142	122
Communications	80				80	107
HR function	66				66	58
Parish and External Relations	42				42	29
Registrar and Chancellor	79				79	57
Archdeacon's Office	30				30	30
DAC	2				2	2
Governance and synodical costs	8				8	7
Central audit fees	22				22	17
Other professional services	11				11	16
	<u>1,622</u>	<u>111</u>	<u></u>	<u></u>	<u>1,733</u>	<u>1,491</u>

13. ANALYSIS OF GRANTS MADE

	Individuals £,000	Institutions £,000	2022 Total £,000	2021 Total £,000
From unrestricted funds for national church responsibilities:				
Training for Ministry (Vote 1)		225	225	225
Apportionment (Votes 2-5)		251	251	270
Pooling		(62)	(62)	(101)
From unrestricted funds for various purposes within parish ministry				
PCCs for lay appointments		36	36	34
Clergy (new appointments)	15		15	5
Clergy (resettlement)	31		31	10
Curates (on ordination)	23		23	28
Ordinands (family maintenance)	75		75	135
From unrestricted funds:				
Ecumenical bodies		3	3	4
University Chaplaincy		3	3	2
From restricted funds for various purposes within parish ministry				
Clergy support (Clergy Society)	90		90	18
From restricted funds for educational purposes				
Educational Foundations grants to schools		79	79	156
	<u>234</u>	<u>535</u>	<u>769</u>	<u>786</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

14. STAFF COSTS

	2022	2021
	£,000	£,000
Employee costs during the year were as follows:		
Wages and salaries	1,578	1,533
National Insurance contributions	158	142
Pension costs	187	187
	<u>1,923</u>	<u>1,862</u>

	2022	2021
The average number of persons employed by the group during the year:		
Diocesan Secretary and Governance Office	6	3
People & Safeguarding merged	8	4
Safeguarding only	1	4
Education	5	6
Finance	5	4
Property (and governance in 2021)	7	6
Ministry Development	8	8
Parish & External Relations	4	5
Archdeacon's Office	2	2
Parochial lay staff	1	2
Parochial clergy (not paid through Clergy Payroll)	3	3
Chaplaincy	2	4
Mission Areas	1	3
Strategic programme including TC.T	3	2
Communications	2	2
	<u>58</u>	<u>58</u>

	2022	2021
The average number of persons employed by the group during the year based on full-time equivalents:		
Diocesan Secretary's Office	4.7	2.4
People and Safeguarding merged	5	2.5
Safeguarding only	0.9	2.4
Education	3.9	3.7
Finance	5	3.8
Governance and Property	5.4	4.7
Ministry Development	6.7	5.7
Parish & External Relations	3.7	4.6
Archdeacon's Office	2.1	1.8
Parochial lay staff	0.7	0.6
Parochial clergy (not paid through Clergy Payroll)	1.1	1.2
Chaplaincy	2.1	3.4
Mission Areas	1	2.6
Strategic programme including TC.T	0.6	2.0
Communications	2.0	2.0
	<u>44.9</u>	<u>43.4</u>

	2022	2021
The number of staff whose emoluments (including benefits in kind but excluding Pension contributions) amounted to more than £60,000 were as follows:		
£60,001 - £70,000	2	2
	<u>2</u>	<u>2</u>

Pension payments of £6,295 were made for these employees (2021: £12,409).

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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14. STAFF COSTS (continued)

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Diocese. During 2022, they were:

Diocesan Secretary/CEO
 Deputy Diocesan Secretary (Finance & Operations)
 Interim Finance Director
 Director of Ministry Development
 Head of Governance and Property
 Head of Parish and External Relations
 Director of Education
 Communications Director
 Director of People and Safeguarding
 Remuneration, pensions and expenses for these employees amounted to 2022: £495,386 (2021: £408,723)

Directors' emoluments

None of the Directors have received any emoluments from the DBF in respect of services performed as a Director (2021: None).

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

	Stipend & pension	Housing
The Ven C P Bryan	Yes	Yes
The Rt Rev Dr L S Rayfield	No	Yes
The Ven N M Warwick	Yes	Yes
The Rev T A Wigley	Yes	Yes
The Rev K E Smith (from 19 th Nov 2022)	Yes	Yes
The Rev D J Stephenson (from 1 st Jan 2022)	Yes	Yes

The DBF is responsible for funding via the Church Commissioners the stipends of licenced stipendiary clergy in the Diocese, other than the bishops and cathedral staff. The DBF is also responsible for the provision of housing for stipendiary clergy in the Diocese, including the suffragan bishop, but excluding the diocesan bishop and cathedral staff.

From time to time some of the directors may be related to clergy or lay staff working in the Diocese and in receipt of a stipend and housing or salary. Travelling and other out of pocket expenses totalling £5,257 (2021 - £4,392) were paid to 2 (2021 - 4) of the Directors during the year, in respect of General Synod duties, duties as Archdeacon or Area Dean, and other diocesan duties.

Professional indemnity insurance has been taken out to protect the Trustees. This is included in an insurance policy covering the Diocesan Office and staff, Diocesan Synod and the DBF's boards and committees, at an overall cost of £15,243 (2021 - £15,079).

Clergy costs

The DBF paid an average of 107 FTE (Headcount 111) (2021: 119 FTE ; Headcount 123) stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese, and the costs were as follows:

	2022	2021
	£,000	£,000
Stipends	2,993	3,265
National Insurance contributions	256	270
Apprenticeship Levy	14	15
Pension costs – current year	741	878
Pension costs – deficit reduction	315	373
	4,319	4,801

The stipends of the Diocesan Bishop and Suffragan Bishops are funded by the Church Commissioners and are in the range £38,050 - £46,640 (2020 range £38,670 - £46,560). The annual rate of stipend, funded by the DBF, payable to Archdeacons in 2022 was in the range £36,830 - £38,239 (2021 range £36,830 - £38,239) and other DBF funded clergy who were Trustees were paid stipends in the range of £27,079 - £28,420 (2021 range £27,079 - £28,420). The estimated value to the occupant, of church provided housing in 2022 was £11,079 (2019 - £11,079).

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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15. ANALYSIS OF TRANSFERS BETWEEN FUNDS

	Unrestricted Funds General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000
Transfer of funds from Diocesan Stipends Fund Capital for major building works	100	28		(128)
Book cost of two property disposals transferred from Parsonage Building Fund to Pastoral Reserve		104		(104)
	<u>100</u>	<u>132</u>		<u>(232)</u>

16. TANGIBLE FIXED ASSETS – LAND AND BUILDINGS

Endowment funds	£,000	2022 £,000	£,000	2021 £,000
Benefice houses				
As at 1 st January	18,293		18,293	
Additions	-		-	
Less disposals	-		-	
As at 31 st December	<u>18,293</u>		<u>18,293</u>	
Glebe properties				
As at 1 st January	3,207		3,207	
Additions	-		-	
Less disposals	-		-	
As at 31 st December	<u>3,207</u>		<u>3,207</u>	
Total properties held for permanent funds		21,500		21,500
Restricted funds				
Other properties				
As at 1 st January and 31 st December	128		128	
Total properties held for restricted funds		128		128
Unrestricted funds				
Other properties				
As at 1 st January	7,866		7,866	
Additions	-		-	
Transfer from endowment fund	-		-	
Less disposals	(105)		-	
As at 31 st December	<u>7,761</u>		<u>7,866</u>	
Resourcing churches				
As at 1 st January	4,342		4,271	
Additions	238		71	
Less disposals	-		-	
As at 31 st December	<u>4,580</u>		<u>4,342</u>	
Total properties held for unrestricted funds		12,341		12,208
Total land and buildings		<u>33,969</u>		<u>33,836</u>

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All of the properties in the balance sheet are freehold. Some properties have been purchased with the help of a value linked loan from the Church Commissioners; when disposed of, the appropriate share of the net sale proceeds will be remitted to the Commissioners, and the related loan liability thereby extinguished. The value of such properties included above amounts to £460,575 (2021 - £460,575). Of the total land and buildings at 31st December 2022, £17,377,275 is valued at cost (2021 - £17,377,275) and the remainder at valuation. Properties are subject to a five-year cycle of survey and consequent repairs are charged to the income and expenditure account. The Directors consider that depreciation of the buildings element of these properties is therefore not appropriate.

17. TANGIBLE FIXED ASSETS – REFURBISHMENT COSTS

	2022 £,000	2021 £,000
Cost as at 1 st January	142	142
Cost as at 31 st December	<u>142</u>	<u>142</u>
Provision for depreciation as at 1 st January	128	128
Depreciation charges in year	14	14
Provision for depreciation as at 31 st December	<u>142</u>	<u>142</u>
Net book value as at 31 st December	<u><u>-</u></u>	<u><u>-</u></u>

Refurbishment costs represent the ingoing works at the Diocesan Office in Stoke Gifford in 2012.

18. TANGIBLE FIXED ASSETS – OFFICE EQUIPMENT

	2022 £,000	2021 £,000
Cost as at 1 st January	209	159
Additions in the year	33	50
Less disposals	-	-
Cost as at 31 st December	<u>242</u>	<u>209</u>
Provision for depreciation as at 1 st January	176	157
Depreciation charges in year	28	19
Less disposals	-	-
Provision for depreciation as at 31 st December	<u>204</u>	<u>176</u>
Net book value as at 31 st December	<u><u>38</u></u>	<u><u>33</u></u>

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Notes to the Accounts
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19. FIXED ASSET INVESTMENTS

	2022	2021
	£,000	£,000
Valuation		
Listed Investments		
At 1 st January	40,452	35,493
Additions in the year	172	90
Disposals in the year	(136)	(55)
Unrealised investment (losses) / gains	(4,962)	4,924
	<u>35,526</u>	<u>40,452</u>
Investment Properties		
At 1 st January	3,671	3,401
Additions in the year	-	-
Disposals in the year	-	-
Unrealised investment gains / (losses)	994	270
	<u>4,665</u>	<u>3,671</u>
At 31 st December	<u>4,665</u>	<u>3,671</u>
	<u>40,191</u>	<u>44,123</u>
Total Fixed Asset Investments		

Listed Investments comprise:

	2022	2021
	£,000	£,000
Endowment funds		
CBF Investment Fund shares	16,744	18,919
CBF Property Fund shares	1,048	1,219
CBF Fixed Interest Fund	1,922	2,177
	<u>19,714</u>	<u>22,315</u>
Restricted funds		
CBF Investment Fund shares	3,018	3,415
CBF Global Equity Fund shares	2,661	3,097
CBF Fixed Interest Fund	625	717
CBF Property Fund	-	-
Managed portfolio	2,560	2,825
Rent charge	-	-
	<u>8,864</u>	<u>10,054</u>
Unrestricted funds		
CBF Investment Fund shares	2,353	2,667
CBF Global Equity Fund shares	4,595	5,416
CBF Property Fund shares	-	-
	<u>6,948</u>	<u>8,083</u>
Total investments	<u>35,526</u>	<u>40,452</u>

The historic cost of the investments held at 31st December 2022 was £13,988,000 (2021 - £13,952,000).

Investment Properties comprise:

	2022	2021
	£,000	£,000
Glebe		
Agricultural Land	2,243	1,868
Non-agricultural Land	37	37
Property	410	475
Other Property	1,975	1,291
	<u>4,665</u>	<u>£3,671</u>

The historical cost of the majority of investment properties is not known, but records are held of total additions of £7,000, of which £nil were added in 2022 (£Nil – 2021).

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

20. DEBTORS – LOANS

	2022 <i>Due in</i> <i>one year</i> <i>£,000</i>	2022 <i>Due after</i> <i>one year</i> <i>£,000</i>	2021 <i>Due in</i> <i>one year</i> <i>£,000</i>	2021 <i>Due after</i> <i>one year</i> <i>£,000</i>
Parish buildings loans	1	3	1	5
PCC St John w St Andrew Park	-	14	-	14
PCC St Michael, Stoke Gifford	-	241	-	282
PCC Redland	-	100	-	100
PCC Castle Combe	-	-	-	12
PCC Downend	-	55	-	70
PCC St Paul Chippenham	-	95	-	-
Other loans (incl. cycle to work schemes)	-	3	-	-
	<u>1</u>	<u>511</u>	<u>1</u>	<u>483</u>
Total loans made by the DBF		512		484

21. DEBTORS – OTHER

	2022 <i>£,000</i>	2021 <i>£,000</i>
<i>All due within one year</i>		
Trade debtors	65	56
Prepayments	102	114
Debtors for parish share	37	44
Other debtors	612	570
	<u>816</u>	<u>784</u>
Total debtors	816	784

22. CASH AT BANK AND ON DEPOSIT

	2022 <i>£,000</i>	2021 <i>£,000</i>
Cash on hand and at bank	416	517
Central Board of Finance Deposit Funds	419	1,532
Funds held by investment managers	53	136
Diocesan Pastoral Account held by the Church Commissioners	5	5
Diocesan Stipends Fund capital account at CBF	-	-
Educational Foundations deposit	2,781	1,270
Bristol Diocesan Clergy Charities deposit	161	136
Fresh Expressions deposit and cash	20	20
	<u>3,855</u>	<u>3,616</u>
Total cash at bank and on deposit	3,855	3,616

23. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 <i>£,000</i>	2021 <i>£,000</i>
Trade creditors	348	197
Taxation and social security	25	27
Clergy Stipends Account	-	-
Bank loans	392	392
Other creditors	764	634
Loan repayments due after one year		
Diocesan Loan Scheme loans	-	-
Pension scheme liabilities		
Clergy pension scheme	-	209
Historic lay defined benefit scheme	16	62
	<u>1,545</u>	<u>1,521</u>
Total creditors falling due within one year	1,545	1,521

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24. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2022 £,000	2021 £,000
Other creditors	45	45
Education Foundation	2,616	1,119
Loan repayments due after one year		
Diocesan Loan Scheme loans	336	373
Value linked loans	348	348
Bank loans	1,197	1,608
Other loans	-	-
Pension scheme liabilities		
Clergy pension scheme		
Historic lay defined benefit scheme	0	172
Total creditors falling due after one year	4,542	3,665

The Church Commissioners' value linked loans for capital expenditure on clergy housing in parochial or diocesan ownership are of an equity nature. The appropriate equity share is repayable on the sale of the property concerned or when it ceases to be occupied by a member of the clergy or licensed lay worker, and interest is charged by the Commissioners at 4% per annum on the amount loaned initially, the rate rising annually by the increase in the Retail Prices Index. All value linked loans are currently due for repayment after 5 years.

25. ANALYSIS OF CHANGES IN NET DEBT

	<i>At 1st January</i> <i>2022</i> <i>£,000</i>	<i>Cash flows</i> <i>£,000</i>	<i>Other non-</i> <i>cash</i> <i>changes</i> <i>£,000</i>	<i>At 31st December</i> <i>2022</i> <i>£,000</i>
Cash and cash equivalents				
Cash on deposit	3,099	340	-	3,439
Cash at bank and in hand	517	(101)	-	416
	<u>3,616</u>	<u>239</u>	<u>-</u>	<u>3,855</u>
Borrowings				
Debt due within one year	(392)		-	(392)
Debt due after one year	(2,329)	448	-	(1,881)
	<u>(2,721)</u>	<u>448</u>	<u>-</u>	<u>(2,273)</u>
Total	<u>895</u>	<u>687</u>	<u>-</u>	<u>1,582</u>

26. FINANCIAL INSTRUMENTS

	2022 £,000	2021 £,000
Financial assets measured at amortised cost comprise of:		
Trade debtors	65	56
Prepayments	102	114
Other debtors	613	570
Loans	512	484
	<u>1,291</u>	<u>1,224</u>
Financial liabilities measured at amortised cost comprise of:		
Trade creditors	348	197
Taxation and social security	25	27
Clergy Stipends Account	-	-
Other creditors	3,425	1,798
Loans	2,273	2,721
Pension scheme liabilities	16	443
	<u>6,087</u>	<u>5,186</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

27. SUMMARY OF FUND MOVEMENTS

	Balance at 1 st January	Income	Expenditure	Transfers	Gains and Losses	Balance at 31 st December
	£,000	£,000	£,000	£,000	£,000	£,000
ENDOWMENT FUNDS						
Diocesan Stipends Fund Capital	17,534		(454)	(128)	(1,134)	15,818
Parsonage Building Fund	21,350	(10)		(104)	(689)	20,547
Clergy Pensions Trust	27				(3)	24
Diocesan Mission Trust	314				(37)	277
Diocesan Education Committee Trust	22				(3)	19
Diocesan Offices endowment	357				(42)	315
Parsonages Fund	319				(38)	281
17 Oakfield Road, Clifton Trust	1,290				685	1,975
Schools Maintenance Fund capital	469				(55)	414
Younghusband legacy	275				(32)	243
Gummer legacy	161				(19)	142
Sir Francis Cowlin Trust	2,120				(250)	1,870
Bristol Diocese Clergy Holiday Trust	449				(53)	396
	<u>44,687</u>	<u>(10)</u>	<u>(454)</u>	<u>(232)</u>	<u>(1,670)</u>	<u>42,321</u>
RESTRICTED FUNDS						
Diocesan Stipends Fund Income						128
Meridian Hall Reserve	128					5
Urban Fund Reserve	5					1,694
Educational Foundations Capital	1,879				(185)	2,858
Educational Foundations Income	3,393	138	(144)		(529)	744
Schools Maintenance Income Funds	778	33			(67)	839
Clergy Society Capital Funds	967				(128)	177
Clergy Society Accumulated Income	254	30	(89)		(18)	105
Clergy Society Holiday Trust Income	100	14	(1)		(8)	10
Uganda	9	1				8
Uganda (Deanery)	8					34
St Michael on the Mount Without	33	1				(1)
Temple Trust for Theatre Director	-		(1)			20
Fresh Expressions	20					(322)
Parsonage Major Works	-		(13)		(309)	2
Release Fund	2					2,933
Bishop Monk's Horfield Trust Fund	2,811	122				189
Daventry Road Fund	189					40
Creative Arts	40					1
Global Partnership / Uganda Trips	(2)	6	(3)			(52)
Transforming Church	-		(52)			412
Strategic Development Funding (SDF)	(1)	986	(573)			
	<u>10,613</u>	<u>1,331</u>	<u>(876)</u>	<u>-</u>	<u>(1,244)</u>	<u>9,824</u>
DESIGNATED FUNDS						
Dame Violet Wills Legacy	1,098				(129)	969
Pastoral Reserve	5,839	63	(24)	104	(33)	5,948
Diocesan Office Rental Fund – Capital	5,416				(760)	4,656
Diocesan Office Rental Fund – Income	77	100	(111)			66
Mission Fund	170					170
Growth Fund	24					24
<i>Other Specific Reserves</i>	-					-
Tudor Cottage	(16)					(16)
DBE Hookmills Educational Foundation	-					-
Other	-		(28)	28		-
	<u>12,608</u>	<u>163</u>	<u>(163)</u>	<u>132</u>	<u>(923)</u>	<u>11,817</u>
UNDESIGNATED FUNDS						
H Gummer Gifts	118				(14)	104
H H Wills Bequest	548				(65)	483
St Nicholas Hall Trust	585				(68)	517
General Reserve	8,974	8,100	(8,922)	100	(8)	8,244
Pension Reserve	(443)		266		161	(16)
	<u>9,782</u>	<u>8,100</u>	<u>(8,656)</u>	<u>100</u>	<u>6</u>	<u>9,332</u>
	<u>77,690</u>	<u>9,584</u>	<u>(10,149)</u>	<u>-</u>	<u>(3,831)</u>	<u>73,294</u>

The Bristol Diocesan Board of Finance Limited
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28. SUMMARY OF ASSETS BY FUND

	Fixed assets £,000	Investments £,000	Current assets £,000	Creditors £,000	Net assets £,000
ENDOWMENT FUNDS					
Diocesan Stipends Fund Capital	3,787	12,029			15,816
Parsonage Building Fund	18,393	2,154			20,547
Clergy Pensions Trust		24			24
Diocesan Mission Trust		277			277
Diocesan Education Committee Trust		19			19
Diocesan Offices endowment		315			315
Parsonages Fund		282			282
17 Oakfield Road, Clifton Trust		1,975			1,975
Schools Maintenance Fund capital		414			414
Younghusband legacy		244			244
Gummer legacy		142			142
Sir Francis Cowlin Trust		1,870			1,870
Bristol Diocese Clergy Holiday Trust		396			396
	<u>22,180</u>	<u>20,141</u>	<u>—</u>	<u>—</u>	<u>42,321</u>
RESTRICTED FUNDS					
Diocesan Stipends Fund Income					
Meridian Hall Reserve	128				128
Urban Fund Reserve			5		5
Educational Foundations Capital		1,356	233	106	1,695
Educational Foundations Income		3,417	2,322	(2,881)	2,858
Schools Maintenance Income Funds		501	238	5	744
Clergy Society Capital Funds		839			839
Clergy Society Accumulated Income		123	105	(51)	177
Clergy Society Holiday Trust Income		60	45	(1)	104
Uganda			10		10
Uganda (Deanery)			8		8
St Michael on the Mount Without			34		34
Temple Trust for Theatre Director				(1)	(1)
Fresh Expressions			20		20
Parsonage Major Works				(322)	(322)
Release Fund			2		2
Bishop Monk's Horfield Trust Fund		2,558	(14)	389	2,933
Daventry Road Fund			189		189
Creative Arts			40		40
Global Partnership / Uganda Trips			1		1
Transforming Church				(52)	(52)
Strategic Development Funding (SDF)			412		412
	<u>128</u>	<u>8,854</u>	<u>3,650</u>	<u>(2,808)</u>	<u>9,824</u>
DESIGNATED FUNDS					
Dame Violet Wills Legacy	1	968			969
Pastoral Reserve	4,586	1,242	123		5,951
Diocesan Office Rental Fund – Capital		4,656			4,656
Diocesan Office Rental Fund – Income			76	(13)	63
Mission Fund			170		170
Growth Fund			24		24
<i>Other Specific Reserves</i>					
Tudor Cottage			(16)		(16)
DBE Hookmills Educational Foundation					
	<u>4,587</u>	<u>6,866</u>	<u>377</u>	<u>(13)</u>	<u>11,817</u>
UNDESIGNATED FUNDS					
H Gummer Gifts		104			104
H H Wills Bequest		483			483
St Nicholas Hall Trust		516			517
General Reserve	7,112	3,227	1,156	(3,250)	8,245
Pension Reserve				(16)	(16)
	<u>7,112</u>	<u>4,330</u>	<u>1,156</u>	<u>(3,266)</u>	<u>9,332</u>
	<u>34,007</u>	<u>40,191</u>	<u>5,183</u>	<u>(6,087)</u>	<u>73,294</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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29. DESCRIPTION OF FUNDS

ENDOWMENT FUNDS

(a) Diocesan Stipends Fund Capital

This fund represents the value of glebe property and investments at the balance sheet date. The account is governed by the Diocesan Stipends Funds Measure 1953 as amended by the Endowments and Glebe Measure 1976, the National Institutions Measure 1998, and the Miscellaneous Provisions Measure 1992. It represents the accumulated sale proceeds of glebe property, sale proceeds of parsonage houses and surplus benefice endowments following pastoral reorganisation. The main function of the fund is to produce income for stipends, but it may also be used for other purposes including: acquiring glebe property, developing and protecting glebe amenities, discharging loans and levies on glebe, improving parsonage houses and discharging any loans made by the Church Commissioners under the Endowments and Glebe Measure 1976. The funds may be invested in any investments fund or deposit fund constituted under the Church Funds Investment Measure 1958 or in any investments in which the trustees may invest under the general power of investment in section 3 of the Trustee Act 2000.

(b) Parsonage Building Fund

Parsonage building funds represent resources restricted to provision of benefice houses in the Diocese. They are represented by the benefice houses or by sale proceeds of former benefice houses held on suspense by the Church Commissioners. Although benefice houses are vested in incumbents for the time being of the benefices concerned, the DBF is obliged to maintain them, to ensure that there are sufficient houses for the pastoral structure of the Diocese, and receives the sale proceeds of benefice houses surplus to requirements into its pastoral reserve.

(c) Other permanent endowments

Fund	Income purpose
Clergy Pensions Trust	To defray the cost of clergy pensions
Diocesan Mission Trust	Towards social responsibility work in the Diocese
Diocesan Education Committee Trust	Towards the work of the Board of Education
Diocesan Offices endowment	Towards the maintenance of Diocesan Offices
Parsonages Fund	Towards the maintenance of parsonage houses in the Diocese
17 Oakfield Road, Clifton Trust	Towards the augmentation of stipends and general ecclesiastical purposes in the parish of Christ Church, Clifton
Schools Maintenance Fund capital	Maintenance of CE voluntary aided schools in the Diocese
Younghusband legacy	Towards the augmentation of stipends
Gummer legacy	Towards the augmentation of stipends
Sir Francis Cowlin Trust	For the general purposes of the Bristol Diocesan Board of Finance
Bristol Diocese Clergy Holiday Trust	To assist with the holiday expenses of clergy

RESTRICTED FUNDS

(a) Diocesan Stipends Fund Income

Subject to any charges imposed by scheme or order the fund shall be applied to: provide or augment stipends of incumbents, assistant curates and others engaged in the cure of souls in the Diocese; meet expenses incurred in making improvements to parsonage houses; pay class 1 National Insurance contributions in respect of ministers not employed under a contract of service; defray sequestrators' expenses.

(b) Meridian Hall Reserve

This reserve represents the properties known collectively as Meridian Hall which are held on trust for use as a hostel for overseas students.

(c) Urban Fund Reserve

This reserve was originally created by the receipt of donations for funding projects in urban areas of the Diocese, such as the projects originally supported by the Bishop of Bristol's Urban Fund and was augmented in 1995 by a donation of the residual funds of the Bishop of Bristol's Urban Fund. The reserve is held as cash on deposit.

(d) Educational Foundations Capital Funds

These funds result from the sale of redundant Church of England voluntary aided school property as directed by a Scheme under section 86(1) of the Education Act 1944, and subsequent orders made under section 2 of the Education Act 1973. They may be used for the provision, improvement or enlargement of Church of England voluntary aided schools in the Diocese of Bristol, and in the payment of any expenses incurred in the administration of the various foundations. In 2013, the constitution of these funds was amended to widen its scope to include academies and other Church of England schools in the Diocese.

(e) Educational Foundations Income Funds

These funds result from accumulations of income arising from Educational Foundations capital funds. They may be used for the same purposes as the capital funds above.

(f) Schools Maintenance Income Funds

These funds result from accumulations of income arising from the permanent endowment designated for maintenance of Church of England voluntary aided schools in the Diocese.

The Bristol Diocesan Board of Finance Limited
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(g) **Clergy Society Capital Funds**

These funds form the capital of the Bristol (Diocesan) Clergy Society and the Bristol Diocesan Sustentation Trust, both of which funds are part of the Bristol Diocesan Clergy Charities. They may be used for relieving diocesan clergy and their dependants who are in conditions of need, hardship or distress; and in advancing the education of children of diocesan clergy. The funds were substantially augmented in 2009, by the sale of a house, purchased in 1976 to provide accommodation for a retired clergyman, and no longer needed.

(h) **Clergy Society Accumulated Income Funds**

These funds result from accumulations of income arising from the Clergy Society capital funds. They may be used for the same purposes as the capital funds above.

(i) **Clergy Society Holiday Trust Accumulated Income Funds**

This trust originates in a gift of the late Horace Gummer in 1923, and its object is to assist with the holiday expenses of clergy, with preference being given to diocesan clergy; and, if the income cannot be applied as above, to relieve diocesan clergy and their dependants who are in conditions of need, hardship or distress.

(j) **Uganda Funds**

These funds are from a legacy, received in 2015, to be used to provide scholarship funds for theological or ordination training in Uganda for those who are engaged in or preparing for service in the ministry ordained or lay of the Church of Uganda with special consideration being given to candidates from the Dioceses of Bukei, Mbale or North Mbale.

(k) **Uganda (Deanery) Funds**

These funds are held on behalf of a number of deaneries in the Diocese to support their links with the Anglican church in Uganda.

(l) **St Michael on the Mount Without**

These funds remain from those distributed to the DBF in 2007, when the Diocese took responsibility for the church.

(m) **SMR Clergy**

These funds help to defray the cost of the associate clergy at St Mary Redcliffe.

(n) **Fresh Expressions**

The Crossnet Network Church was established in 2004. It meets in a non-church setting and draws its members from a wide area. The finances of this entities are separately maintained; however, at present they have no formal status and are therefore aggregated into these accounts.

(o) **New Housing Areas Fund**

In 2010, the Diocese was awarded a grant of £500,000 from the Church Commissioners to provide ministry in new housing areas throughout the Diocese. During the early part of the year, these funds have been used to pay for a home / school link worker in Patchway, North Bristol.

(p) **Release Fund**

Release is a leadership development programme that realises the potential of leaders – it releases their energy. The programme has been made possible by the receipt of funding from an anonymous donor.

(q) **Creative Arts Fund**

This fund was established by a generous donation in 2018, with the aim of creating a fund to support and invest in engagement with the creative arts by Anglican Churches in the Diocese of Bristol.

(r) **Global Partnership / Uganda Trips Fund**

This fund represents amounts collected and disbursed in relation to trips by parishes in the Diocese to linked churches in Uganda, and other related activities.

(s) **Strategic Development Funding**

This fund represent grants awarded by the Archbishops' Council, and associated expenditure, in relation the Diocese's strategic initiatives of establishing three Mission Areas in Avonside, Yate & Fromeside and North Wiltshire and two Resourcing churches at St Nicholas, Bristol and the Pattern Church in Swindon. This fund also includes strategic capacity funding awarded to the DBF to support these strategic initiatives.

(t) **Bishop Monk's Horfield Trust Fund**

This fund was established in 2020, following the winding-up of the Bishop Monk's Horfield Trust.

(u) **Daventry Road Fund**

This fund was established in 2020, following the determination of the proceeds of a property held in trust.

The Bristol Diocesan Board of Finance Limited
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UNRESTRICTED FUNDS

- (a) **Dame Violet Wills Legacy Fund**
This fund results from a general legacy to the DBF by the late Dame Violet Wills. The DBF has designated the fund's future use for children's and youth work, and the income arising from the capital sum is used for this purpose. The funds are invested principally in the CBF Investment Fund.
- (b) **Pastoral Reserve**
The pastoral reserve results from past accumulations of general fund income, transfers and sales of property for the DBF's general use which the DBF has designated as a general building fund. It incorporates the Diocesan Pastoral Account which is governed by the Mission and Pastoral Measure 2011.
- (c) **Diocesan Office Rental Fund – Capital**
This fund is used to produce income to pay the rental of the Diocesan Office in Stoke Gifford.
- (d) **Diocesan Office Rental Fund – Income**
This is accumulated income from the capital investment. The rent-free period at the start of the lease has been spread for accounting purposes over the first 10 years of the lease.
- (e) **Mission Fund**
This reserve represents allocations received from the Church Commissioners since 2002 under the Parish Ministry and Mission scheme. This money is allocated by the DBF to mission initiatives.
- (k) **Growth Fund**
This reserve was also set aside from the General Fund surplus for 2005 and is being used to give grants to parishes, who wish to undertake new mission initiatives, but do not have sufficient funds to do so. Grants are being given over a limited period towards the employment costs of new positions, which can be shown to contribute to new mission initiatives within the parish.
- (l) **Other Specific Reserves**
A small number of reserves have been established for specific purposes, these include two small funds in respect of Tudor Cottage and the DBE Hookmills Educational Foundations.
- (m) **General Reserve**
The general reserve represents accumulations from past general fund surpluses. The reserves policy for this fund is described in the Directors' Report.
- (n) **Pension Reserve**
The pension reserve is the amount needed to make good the deficits that have arisen between the present value of the funds invested and the estimated liability in respect of two defined benefit schemes. The two schemes in question are the Church of England Funded Pension Scheme for stipendiary clergy and the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme, for lay staff, which is closed to new members. Full details are given at note 35 and recovery plans are in place to eliminate the respective deficits.

30. CAPITAL COMMITMENTS

At 31st December 2022, the DBF had authorised capital expenditure on TC.T of £261k of which £151k was approved for expenditure in 2022. A balance of £110k remain carried forward into 2023. (2021 - £Nil). Minor contract for contractors working on TC.T in 2022 will continue into 2023.

31. OTHER COMMITMENTS

During the year the Charity agreed to underwrite the obligations of the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme as they fall due to the extent that they exceed the funds assets. Further details of the current position of the pension scheme can be found in note 35.

32. CONTINGENT LIABILITIES

At 31st December 2022, the DBF had no contingent liabilities (2021 – none).

33. OPERATING LEASES

The following total amounts due under operating leases are as follows:

	2022 £,000	2022 £,000	2021 £,000	2021 £,000
	<i>Land & Buildings</i>	<i>Other</i>	<i>Land & Buildings</i>	<i>Other</i>
Operating leases				
Within one year	119	-	119	-
Within two to five years	386	-	475	-
After five years	0	-	30	-

The lease payments expensed during the year were £110,744 (2021 - £108,955).

The Bristol Diocesan Board of Finance Limited
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34. POST BALANCE SHEET EVENTS

On the 28th April 2023 the Diocese were awarded funding, on behalf of the Archbishops' Council, for £6,820,935 towards our TC.T proposal. Further details on income receipts and reporting spend are currently awaited.

Sale of Kilverts Parsonage - receipt of £65,581 on 13th January, 2023.

35. PENSIONS

Clergy pension scheme

The DBF participates in the Church of England Funded Pension Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the DBF and other Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2022: £120,000, 2021: £224,000), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £209,000 for 2022 (2021: £254,000).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31st December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2720m and a funding target of £2160 m, assessed using the following assumptions:

- An average discount rate of 2.7%;
- RPI inflation of 3.6% pa (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH; and
- Mortality in accordance with 90% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31st December 2018 valuation, a recovery plan was put in place until 31st December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31st December 2020 and 31st December 2021, the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and 2022 is set out in the table below.

	2022	2021
Balance sheet liability at 1 st January	209000	463,000
Deficit contribution paid	(120,000)	(224,000)
Interest cost (recognised in SoFA)	0	1,000
Remaining change to the balance sheet liability* (recognised in SoFA)	(89,000)	(31,000)
Balance sheet liability at 31 st December	0	209,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

	December 2022	December 2021	December 2020
Discount rate	n/a	0.0% pa	0.2% pa
Price inflation	n/a	n/a	3.1% pa
Increase to total pensionable payroll	n/a	1.5% pa	1.6% pa

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

Defined Benefit Scheme

Bristol Diocesan Board of Finance (the 'Employer') operates a defined benefit pension arrangement called the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme (the 'Scheme'). The Scheme provides benefits based on final salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined contribution schemes operated by the Employer.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Employer must agree with the Trustees of the Scheme the contributions to be paid to meet the Statutory Funding Objective.

The most recent comprehensive actuarial valuation of the Scheme as at 31st March 2020. As part of this valuation, a new Schedule of Contributions will be agreed with the Employer which could require higher or lower contributions to be paid than under the existing Schedule of Contributions. The next valuation of the Scheme is due as at 31st March 2023.

Under the existing Schedule of Contributions, the Employer expects to pay contributions of £85,000 in the year to 31st December 2023.

There were no plan amendments, curtailments or settlements during the period.

Profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is around 13 years.

Disclosures

Figures for disclosure in accounts for period ending 31st December 2022 under FRS102. Results are shown in pounds, rounded to the nearest £1,000.

Principal actuarial assumptions

The principal assumptions used to calculate the Scheme's liabilities include:

	2022	2021
Discount rate	4.90% pa	1.90% pa
Inflation assumption (RPI)	3.40% pa	3.50% pa
Inflation assumption (CPI)	2.40% pa	2.50% pa
Pension increase (RPI max 5% (LPI) pension increases)	3.30% pa	3.30% pa
Pension increase (Revaluation in deferment (CPI))	2.40% pa	2.50% pa
Post retirement mortality		95% of S2PA with CMI 2019 projection and a long-term improvement of 1.5% pa
Commutation		No allowance has been made for members to take tax free cash

Assets

The Scheme's assets are invested in One Family's Pension Accumulation Fund (99%), together with a small with-profit deferred annuity policy (1%).

The assets do not include any investments in shares or property of the Employer.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

Balance Sheet at 31st December 2022

	2022 £,000	2021 £,000
Fair value of assets	473	442
Present value of funded obligations	(489)	(676)
Net defined benefit liability at 31st December 2022	(16)	(234)

Amounts recognised in the Statement of Financial Activity over the year

	2022 £,000	2021 £,000
Current service costs	-	-
Administration costs	24	23
Interest on liabilities	13	9
Interest on assets	(9)	(5)
Past service cost	-	-
Settlement cost	-	-
Total	28	27

Remeasurements over the year

	2022 £,000	2021 £,000
Loss / (gain) on scheme assets in excess of interest	8	(3)
Experience losses / (gains) on liabilities	52	-
Losses / (gains) from changes to demographic assumptions	0	-
Losses / (gains) from changes to financial assumptions	(221)	(68)
Total remeasurements	(161)	(71)

The change in the assets over the period was:

	2022 £,000	2021 £,000
Fair value of assets at the beginning of the period	442	375
Interest on assets	9	5
Employer contributions	85	83
Contributions by Scheme participants	0	-
Benefits paid	(31)	(1)
Administration Costs	(24)	(23)
Change due to settlements	-	-
Return on plan assets less interest	(8)	3
Fair value of assets at the end of the period	473	442
Actual return on assets*	1	8

*Calculated using unrounded figures

The change in the Defined Benefit Obligations over the period was:

	2022 £,000	2021 £,000
Defined Benefit Obligations at the beginning of the period	676	736
Current service cost	-	-
Contributions by Scheme participants	-	-
Past service cost	-	-
Interest cost	13	9
Benefits paid	(31)	(1)
Change due to settlements	-	-
Experience (gain) / loss on defined benefit obligations	52	-
Changes to demographic assumptions	-	-
Changes to financial assumptions	(221)	(68)
Defined Benefit Obligations at the end of the period	489	676

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

Defined Contribution Scheme

The DBF operates a group personal pension plan (GPPP) for all new and existing employees of the Bristol Diocesan Board of Finance Ltd. As part of this scheme, the DBF contracts to pay specific contributions to an individual employee's pension fund, based on a percentage of their salary. The amount the employee will receive in the future as a pension will depend on the investment performance of the particular funds assets. The DBF has no other ongoing liability and the costs of providing the GPPP are charged to staff costs in the financial statements as the contributions payable. The total cost for the period was £123,303 (2021 - £132,740) and outstanding contributions as at 31st December 2022 amounted to £15,920 (2021 - £16,281).

36. PRIOR YEAR COMPARATIVE SOFA

	Unrestricted Funds General £,000	Restricted Designated £,000	Endowment Funds £,000	Total funds Funds £,000	2021 £,000
Income and endowments from					
Donations					
Parish Share contributions	5,114	-	-	-	5,114
National Church institutions	503	-	671	-	1,174
Other donations	641	-	43	-	684
Charitable activities	311	-	-	-	311
Other activities	375	-	1	-	376
Investments	499	176	515	-	1,190
Gains on sale of assets	-	180	-	341	521
Total income	7,443	356	1,230	341	9,370
Expenditure on					
Raising funds	98	1	33	-	132
Charitable activities	8,396	157	1,037	244	9,834
Other	(278)	1	20	-	(257)
Total expenditure	8,216	159	1,090	244	9,709
Net income / (expenditure) before other gains	(773)	197	140	97	(339)
Net gains on investments	164	928	1,026	3,076	5,194
Net income	(609)	1,125	1,166	3,173	4,855
Transfer between funds	2,092	960	(187)	(2,865)	-
Actuarial gains / (losses) on pension schemes					71
Net movement in funds	1,554	2,085	979	308	4,926
Total funds as at 1st January 2021	8,828	10,523	9,634	44,379	72,764
Total funds as at 31st December 2021	9,782	12,608	10,613	44,687	77,690

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2022

37. RELATED PARTY TRANSACTIONS

The **Foundation of Saint Matthias (registered charity number 311696)** is administered by the COO and Clerk/Administrator (who became employees of the Trust from October and November 2022, respectively). Formerly, all affairs were administered by St Matthias Administrator (an employee of BDBF. The BDBF was paid £31,583 for all admin and accountancy services to the Foundation (2021 - £33,271). The Bristol Diocesan Board of Education received grants totalling of £39,500 (2021 - £50,000), funding the diocesan resource centres, providing in-service training and training resources for teachers.

The Bristol Diocesan Board of Education were awarded a further grant of £7,000 (2021 - £6,000). This funding supports the important work of raising the profile of chaplaincies in FE Colleges.

The **Diocese of Bristol Academies Company (DoBAC)** and **The Diocese of Bristol Academies Trust (DBAT)** are separate legal entities from the DBF. From October 2020, DBAT ceased to be administered from the DBF's registered office. It did pay £8,226 in 2022 towards other services including rent of £7,500 for school land at Lydiard Millicent (2021 - £7,500) and Q1 2023 quarterly rent for Lydiard Millicent in advance which included in debtors. During the year the DBF rented rooms from DBAT for a Synod meeting at a cost of £660 (2021 - £600).

Trinity College (Bristol) Ltd is a theological education institution (TEI) that trains a number of ordinands sponsored by the Diocese of Bristol. It employs one of the DBF's directors. In 2022, the DBF paid Trinity College (Bristol) Ltd the sum of £97,943 for ordinand training and other related services (2021 - £143,421). Trinity College (Bristol) Ltd also paid the sum of £5,065 in 2021 (Nil, 2022) to the DBF in respect of clergy seconded as a tutor to the college.

The Dean of **Bristol Cathedral** is one of the DBF's directors. Bristol Cathedral reimbursed £1,083 to the DBF in respect of DBS checks, conference costs, C-Me profiles and the cost of placing a recruitment advertisement (2021 - £1,029).

In February 1998, the Charity Commissioners issued a scheme making the DBF Trustee of the charity known as the Bristol Diocesan Clergy Charities, number 3127160. The accounts of the Bristol Diocesan Clergy Charities have been aggregated into these financial statements.

38. FUNDS HELD AS CUSTODIAN TRUSTEE

By virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners' schemes, the DBF is the Diocesan authority over certain assets held on permanent trusts, where the managing Trustees are parochial church councils or others. In doing so the DBF furthers its charitable objects to promote and assist the work and purposes of the Church of England in the Diocese of Bristol.

These assets have not been consolidated in these financial statements, since the DBF does not control them.

Separate financial statements have been prepared to account for the DBF's stewardship of these assets, and full trust accounts for each trust are the responsibility of the managing Trustees in each case. The number of trusts whose assets are held as custodian trustee are too numerous for individual disclosure, copies of the separate financial statements and details are available from the Secretary at the Registered Office of the DBF.

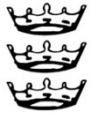
The financial assets held in this way can be summarised as follows:

	2022	2021
	£,000	£,000
Capital Assets		
Equities	27	21
Other fixed-interest securities		-
Unit trust shares	12,861	14,649
CBF Deposit Fund	1,397	1,096
Virgin Money Charity Deposits	34	34
Trust capital loans	77	77
Cash at bank	15	16
Income Assets		
Unit trust shares	302	343
CBF Deposit Fund	545	489
COIF Deposit Fund	46	46
Virgin Money Charity Deposits		1
Debtors		-
Creditors	(9)	(9)
Cash at bank	5	5
	15,300	16,768

THE BRISTOL DIOCESAN BOARD OF FINANCE LIMITED

England & Wales - Charity number 248502


Accounts



Diocese of Bristol

The Bristol Diocesan Board of Finance Limited
Annual Report & Financial Statements
for the year ended 31st December 2021

Registered Office: Hillside House, 1500 Parkway North, Stoke Gifford, Bristol BS34 8YU

0117 906 0100 | www.bristol.anglican.org |  THE CHURCH OF ENGLAND

The Bristol Diocesan Board of Finance Limited | Reg. in England: Charity 248502, Company 156243

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The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2021

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 31st December 2021.

The Trustees and Directors are one and the same and in signing as Trustees they are also signing the Strategic Report sections in their capacity as Directors.

This combined report satisfies the legal requirements for:

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

The Financial Statements have been prepared in accordance with statutory requirements prevailing at 31st December 2021, with the requirements of the Charity's governing document, its Memorandum and Articles of Association, and with the Charities Statement of Recommended Practice (FRS102). Where possible, the guidance issued in the Diocesan Annual Report and Financial Statements Guide by the Diocesan Secretaries' Liaison Group has been followed.

LEGAL OBJECTS

The primary objective of the Bristol Diocesan Board of Finance ("the DBF") is to promote and assist the work and purposes of the Church of England in the Diocese of Bristol.

The DBF has the following statutory responsibilities:

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

STRATEGIC AIMS

Throughout the Diocese of Bristol, the Church of England is making a significant difference to Christian witness in our communities through its ministers, parishes and church schools.

Since January 2021, the Diocese of Bristol has been undertaking a process to discern and develop the next vision and strategy for the Diocese, under the title of *Transforming Church. Together*. The overall aim of *Transforming Church. Together* is to understand as a Diocese what we do well, what we can change for the better and how we create a positive way forward together. Through prayer and having conversations with many groups of people, the *Transforming Church. Together* process discerned a new vision, purpose and values which will underpin the work of the Diocese in the years to come.

Our vision

Humanity reconciled, creation restored.

Our purpose

To follow Jesus. To serve others. To transform communities.

Our values

Openness: we value openness and are loving and open to all

Generosity: we value generosity and receive and give sincerely

Creativity: we value creativity and we cooperate with the work of the Spirit

Bravery: we value bravery – we are courageous with our voices and our actions

OBJECTIVES FOR THE YEAR

In addition to the further development of *Transforming Church. Together*, the following objectives were set for the year ended 31st December 2021.

- a) Take action in relation to the Diocese's declaration of Climate Emergency;
- b) Further the Diocese's commitments on racial justice; and
- c) Continue to support ministers, churches, chaplaincies and schools in response to the impact of the COVID-19 pandemic.

The Directors believe that all the above shows that the DBF delivers public benefit by working with ministers, parishes and schools to be a Christian witness at the centre of their communities.

ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

Achievements against objectives

Ministry in the Diocese

Parish ministry is at the heart of the what the Diocese of Bristol does, in serving the many and varied communities in and around Bristol, Chippenham, South Gloucestershire, North Wiltshire and Swindon. Through the work of our parishes, deaneries, Bishop's Mission Orders, and aided by the Diocesan Support Services Team, this collective work strives to provide a visible Christian presence in every community in the Diocese.

At the end of 2021, 217 clergy were licensed across the Diocese of Bristol's 166 parishes, 100 benefices, 5 Bishop's Mission Orders and Bristol Cathedral (2020: 206). Of these clergy, 156 (2020: 134) were in stipendiary ministry (or other paid ministry) and 61 (2020: 72) were self-supporting ministers (SSMs). 43 (2020: 39) of the total were undertaking a training curacy (both stipendiary and self-supporting). There were also 32 (2020: 22) Anglican clergy licensed to institutions as chaplains, 112 (2020: 114) clergy holding the Bishop's Permission to Officiate and 171 (2020: 193) Licensed Lay Ministers (LLMs).

The DBF paid an average of 119 full-time equivalent stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese (2020: 119). In 2015, the comparative figure was 105.

Mission Areas and Resourcing Churches

An integral part of parish ministry in 2021 has been the work of the three mission areas and two resourcing churches that were established under the 'Creating Connections' 2016 to 2020 strategic plan.

The mission areas at Avonside, Yate & Fromeside and North Wiltshire continue to prove the benefits of working across boundaries, collegiality and shared financial support. The resourcing churches at St Nicholas, Bristol and the Pattern Church in Swindon had continued to be agile and adaptive in light of the pandemic, with a strong focus on invitation and outreach. The combined average weekly attendance of the resourcing churches was 580 at the end of 2021.

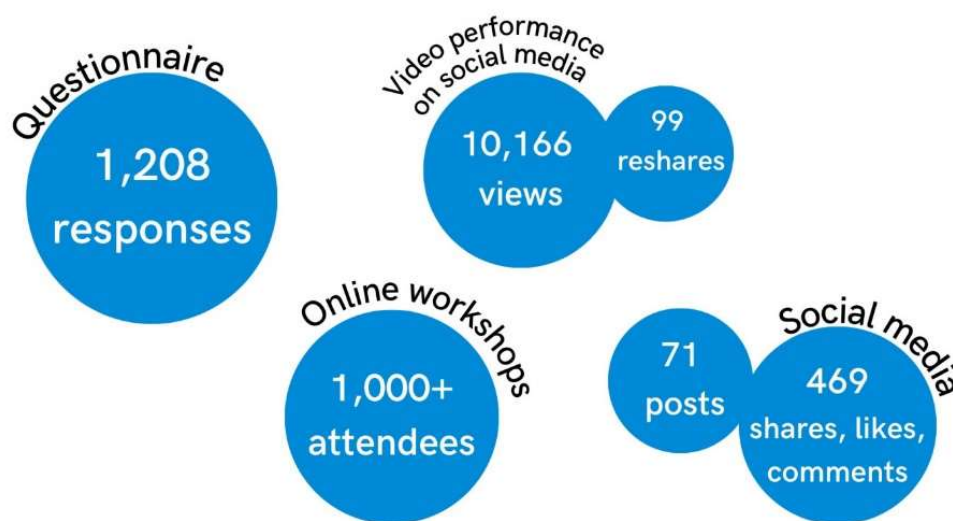
One of the key outworkings of the resourcing churches has also been demonstrated through the successful plans to plant and establish wider congregations. In September 2021, the Pattern Church planted The Well in Swindon and plans are underway for St Nicholas, Bristol to plant on the site of the old Filton airbase on the border of Bristol and South Gloucestershire in 2022.

Considerable learning has come from both the mission areas and resourcing churches and provides an opportunity to extend this learning into wider areas and different contexts as the Diocese develops plans for the future.

Develop vision, values and strategy – *Transforming Church. Together*

Plans to develop the Diocese of Bristol's vision, values and strategy for the next strategic period to 2027 and beyond were a key area of work in 2021.

The first step was an **engagement exercise** that took place between February and April 2021, and involved an online questionnaire and over a hundred workshops. An important part of this engagement was the opportunity to listen to people the church doesn't usually hear from, so there were focused workshops for disabled people, black, Asian and minority ethnic people, LGBTQI+ people, those with caring responsibilities, and for young people and students. Contributors told us their thoughts about God and the Church of England, and how the Diocese of Bristol could better relate to communities, society and the world.



The next stage was to discern the new **vision, purpose and values** for the Diocese (which are detailed in the Strategic Aims section above) and these were shared with and approved by Diocesan Synod in September 2021.

Having agreed the new vision, purpose and values, four **key outcomes** were determined that express where we believe God is calling us in our mission as a Diocese in the coming years. These are:

1. To have a form of church in every community, and one church to which all can belong
2. To have people who worship God in every aspect of their lives, and throughout their whole lives
3. For the Diocese to be recognised as a powerful force for gospel change
4. For the Diocese to have sustainable finances

In order to work out how to achieve these four outcomes, and the resources we need to do so, 11 **working groups** were put together towards the end of 2021.

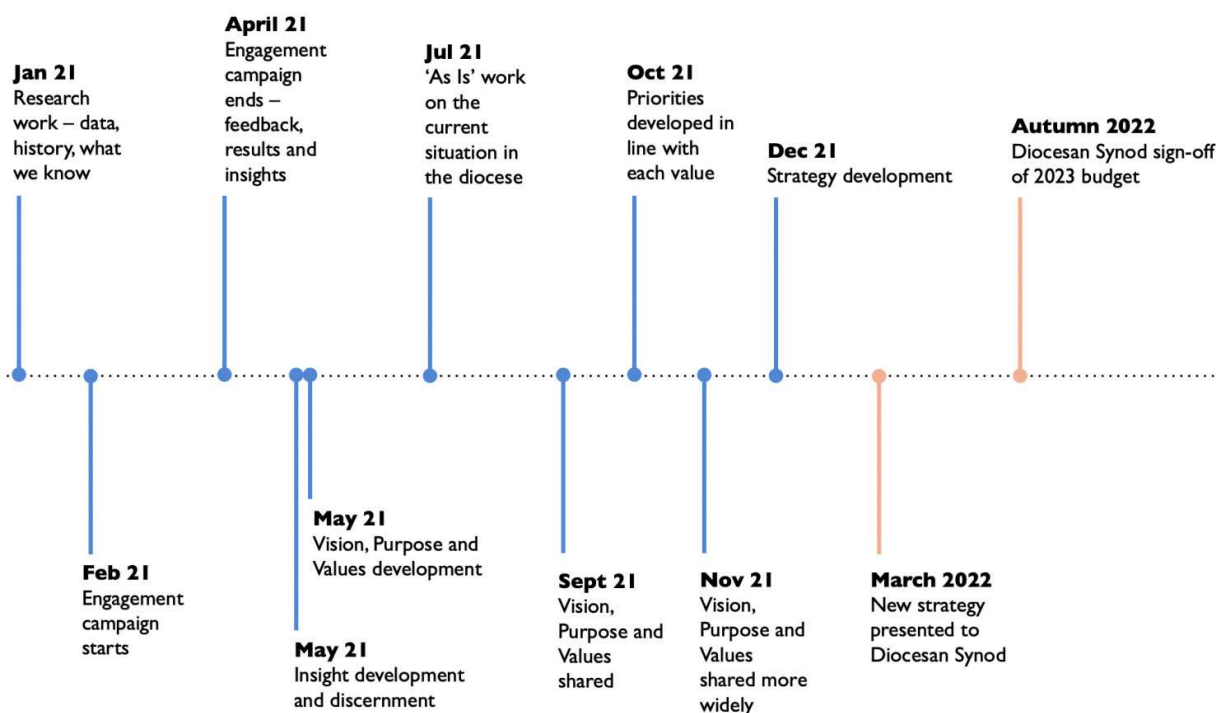
1. Church composition and disposition - *What sort of churches do we need and where do we need them?*
2. Supporting low-income communities - *Direct support and better engagement.*
3. Increasing under 25's participation - *How do we do this better?*
4. Including under-represented communities - *How do we engage these groups more effectively?*
5. Pathways into deep, lived-out faith - *How do we support evangelism, growth in faith, and discipleship/Rule of Life which enables Christians to make a difference in the workplace, school and home?*

The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2021

6. Developing our volunteers - *How do we grow our volunteer force and engage them more effectively?*
7. Clergy – releasing and ensuring wellbeing - *How can we free up our clergy from their administrative burdens, and how do we improve their overall wellbeing?*
8. Campaigns and partnerships for change - *How can we develop our campaigning ability and who should we partner with in order to do this?*
9. Delivering net zero - *Develop a costed plan to get us to net zero and consider how this may assist biodiversity in the diocese.*
10. Build income generation and ‘change delivery’ partnerships - *Expand and develop the Income Generation proposals and consider potential partners – commercial, public and third sector*
11. Church property utilisation - *How can we better exploit the utility our church properties, and generate income?*

These groups include people from across the Diocese, with the express aim of examining what activities we are going to undertake and how much they would cost. They explicitly recognise that we won’t be able to do everything, so there will be trade-offs between activities; either in terms of timing or scale, but we will aim for a balance, in one coherent and affordable strategy.

The working groups reported back in February 2022 and fed into the strategy development process that formed a draft strategy presented to Diocesan Synod in March 2022. Further detailed work will be undertaken thereafter, with the aim of seeking Church of England funding to support the transition to the new strategy later in 2022.



The new diocesan strategy links to the national strategy in several areas – mixed ecology, young people, discipleship, net zero – so we are hopeful of national support. If everything goes to plan, work will develop the fine detail of the strategy for a detailed submission later in the year, with Diocesan Synod signing off the 2023 budget in the Autumn. By January 2023, it is anticipated that the Diocese of Bristol will be working with and inspired by our new vision, purpose, and outcomes.

Climate Emergency

At its Diocesan Synod in November 2019, the Diocese of Bristol became the first diocese in the Church of England to declare a 'climate emergency' and commit to reach net zero carbon emissions by 2030. This declaration is supported by a Diocesan Environment and Climate Justice Policy that made seven commitments and marked the start of a journey towards the Diocese becoming carbon net zero by 2030. The Church of England General Synod followed this commitment to a net zero by 2030 target, when it also declared a climate emergency in February 2020.

Since then there has been significant progress, and below are some examples of activity towards our environmental commitments:

- We are tracking year-on-year carbon emissions across our church, school, parsonage and office estates, as well as the Cathedral and Trinity College, against the 2020 baseline. Due to the pandemic, emissions across all areas have reduced – but the challenge now is to maintain this downward trajectory as normal service resumes;
- Parishes continue to engage with Eco Church – a scheme for churches who want to demonstrate that the gospel is good news for God's earth, led by A Rocha UK – with 28 having received awards already and 45% of parishes registered with the scheme;
- We have funded and undertaken energy efficiency audits of all in-scope school properties, and will continue to work with them to support decarbonisation;
- We have met one-to-one with our highest-emitting churches to create decarbonisation plans, and continue to monitor progress;
- A network at parish and deanery-level was launched in 2021, and bi-monthly Environment Briefings are shared with this group. The Diocesan Environment Adviser is speaking at every deanery synod about creation care, to encourage greater momentum.

Racial justice

In June 2020, Rt Revd Vivienne Faull committed on behalf of the Bishop of Bristol, Diocese of Bristol and Bristol Cathedral, to act now with a renewed sense of urgency and determination to:

- Acknowledge and repent of the Church's past involvement in and benefit from the slave trade;
- Challenge and address institutional racism, listening to and learning from the experiences of Black, Asian and minority ethnic people;
- Recruit and support more Black, Asian and minority ethnic clergy, staff and volunteers;
- Make our churches truly welcoming to everyone, taking responsibility for the need for profound cultural change in our Church; and
- Work with others in the Diocese of Bristol and the Church of England to bring these things about.

In 2021, we have continued to make progress in implementing these commitments, includes:

- Formalising the establishment of a Racial Justice Task Group and a Racial Justice Advisory Group;
- Successfully applying for external funding to help support the appointment of a project officer;
- Consulting with UKME communities in Bristol to ensure they play a key role in helping us respond appropriately to historic racism;
- Conducting audits of memorials and monuments in our churches linked to the transatlantic traffic in enslaved Africans and working with both the Cathedral and parishes to consider their response.

Respond to the COVID-19 pandemic

The DBF's activities, plans and achievements in 2021 continued to be significantly impacted by the COVID-19 pandemic, the imposition of government restrictions and the ongoing uncertainty that resulted. Throughout the Diocese, church communities, church schools and chaplaincies have continued to respond to the impact of the COVID-19 pandemic and the limitation on church activities by sustaining the social impact, worshipping life and Christian witness of the Church in a wide variety of innovative and sacrificial ways.

The critical role of churches during the pandemic was highlighted in The National Churches Trust's *House for Good* report ([Error! Hyperlink reference not valid.](#)), which attempts to quantify the economic and social value of all church buildings to the UK. The report showed that churches "provide a ready-made, efficient, responsive network of social value and community care which helps to build more resilient communities" and that church buildings are "the heart of a ready made nationwide network of community care - helping the people most in need through providing volunteer-led help including drug and alcohol support, financial advice, youth clubs, after-school care, and job clubs"(p. 3). This is certainly the case in the Diocese of Bristol and testament to the hardwork of all those involved with leading and serving in their local parish churches and the Diocesan Support Services Team that underpins and helps to sustain frontline ministry.

Safeguarding

The safeguarding provision remained stable in 2021, working to the agreed Safeguarding Improvement Plan, adapted in accordance with the impact of COVID-19 pandemic. Andy Wills has remained as Independent Chair of the Diocesan Safeguarding Steering Group (DSSG). The Past Case Review 2 (PCR2) started in January 2020 though it was disrupted somewhat by COVID-19. The PCR2 was completed in December 2021 and an action plan will be developed based on the recommendations that have come from the review.

Face-to-face training has remained suspended during 2021. 1,294 people received training (2020: 1,270), 836 DBS applications (2020: 693) were recorded and 45 new cases were recorded (2020: 36). The Safeguarding Annual Report is published on the Diocesan website. Safer Recruitment and training requirements have changed following the provision of revised guidance during 2021. These changes will come into effect during 2022.

The Safeguarding Team is engaged in projects (National Safeguarding Case Management System and Pathfinder project) that have developed in response to the IICSA recommendations that apply to the Church of England. This will enable a more collaborative approach to safeguarding across the whole church and enable a greater consistency in the management of safeguarding in the Diocese.

FUTURE PLANS

During 2022, the conclusion of *Transforming Church. Together* and adoption of a new strategy for the Diocese of Bristol will be accompanied by ongoing work to take action on:

- a) The Diocese's declaration of Climate Emergency;
- b) The Diocese's commitments on racial justice;
- c) Encouraging the whole church to think more deeply about identity, sexuality, relationships and marriage in the bigger context of being human, through the *Living in Love and Faith* initiative; and
- d) Continuing support to ministers, churches, chaplaincies and schools in response to the long-term impact of the COVID-19 pandemic.

FINANCIAL REVIEW

In November 2020, Diocesan Synod approved DBF expenditure totalling **£9,158,000** for 2021 (2020: £9,306,000). The budget presented to Diocesan Synod showed expenditure outstripping income by **£921,000**. However, with **£200,000** of this expenditure constituting improvement works to property and being funded by the Diocesan Stipends Fund (DSF) Capital Fund, this effectively meant that the DBF's operational budget was in deficit by **£721,000**.

The overall result for 2021 was an operational **deficit of £894,000** (2020: £551,000 deficit), after including 'other funds' (see below); funding from the Diocesan Stipends Fund (DSF) Capital Fund of **£244,000** (2020: £231,000). A comparison between the budget presented to Diocesan Synod and the actual results, for each of the main budget headings, is shown in Table 1 (on page 9).

The budget reflected a desired level of Parish Share (the financial contributions made by parishes to the DBF) for 2021 of **£5,600,000**. By the end of 2021, gifts of Parish Share totalling to **£5,114,000** (2020: £5,159,000), reflecting the challenges of a year deeply affected by the continuing pandemic. This amount included gifts towards earlier years of £33,000 (2020: £26,000) and additional gifts from parishes of £83,000 (2020: £13,000) made above and beyond the original pledges made.

In terms of other income, fees from occasional office (weddings, funerals etc.) and investment income were marginally lower than expected. Overall grant income was £175k lower than budget, but much of this related to the timing of specific grants and corresponds to a lower level of expenditure on 'other parochial ministry costs'. Property income was £122k more than budgeted, due to a number of parish vacancies and careful property management.

In terms of expenditure, the overall cost of clergy stipends (one of the DBF's most significant area of spending) was only £31k less than budgeted and overall expenditure on initial ministerial training being £147k lower than originally thought. Most other area of the budget were broadly within budget, with the exception being an overspend on the renewal of a bank borrowing facility in DSS (non-staff).

The income and expenditure from 'other funds' relates primarily to certain ancillary DBF funds, including the DBF Clergy Charities (known as the Clergy Society), the Educational Foundations funds and one fresh expression. In 2021, the Clergy Society, which provides small welfare grants to clergy on a case-by-case basis, awarded 45 grants, amounting to £17,000 (2020: £17,000). In 2021, the Educational Foundations funds awarded 5 grants to church schools, including the Diocese of Bristol Academies Trust (DBAT) amounting to £96,000 (2020: £100,000).

Within 'Other income' on the Statement of Financial Activities (SoFA; on page 24) is the gains on proceeds from the sale of one property in 2021 which amounted to **£341,000**. 'Other expenditure' disclosed in the SoFA (on page 24) includes **£310,000** of 'negative expenditure' constituting net pension adjustments (2020: £350,000). The various components of these pension adjustments are shown in note 10, as well as in the pension disclosures on pages 46 to 49.

Table 2 (on page 9) shows the reconciliation between the operating deficit of **£894,000** and the overall figure for total net income before investments gains of **£4,926,000** shown on the SoFA (on page 24). It details the various items of unbudgeted expenditure or income (along with the capital grants for the resourcing churches and DSF Capital contribution) that give rise to the difference between these two figures.

The Directors are mindful of the combined pension deficit at the end of the year of £443k which relates to two pension schemes (see note 35 for details). Both deficits have resulted from the shortfall of the respective schemes' assets, compared to their calculated liabilities. Recovery plans are in place with the aim of eliminating the deficit over time.

The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2021

TABLE 1 – ACTUAL vs. BUDGET 2021	SYNOD BUDGET £000	2021 ACTUAL £000	VARIANCE £000	2020 ACTUAL £000
INCOME				
Parish Share	5,600	5,114	-486	5,159
Local fee income (from weddings and funerals etc.)	277	263	-14	197
Grants	2,041	1,866	-175	2,255
Investment income (incl glebe)	998	979	-19	961
Property income	210	332	+122	267
Contribution to Diocesan Support Services	31	40	+9	79
TOTAL INCOME	9,158	8,594	-564	8,918
EXPENDITURE				
Clergy Stipends	3,564	3,533	+31	3,633
Other parochial ministry costs	966	780	+186	862
Initial ministerial training	1,812	1,665	+147	1,562
Property costs	1,538	1,512	+26	1,543
Diocesan Support Services (staff)	1,256	1,232	+24	1,201
Diocesan Support Services (non-staff)	685	703	-18	505
National Church	270	270	0	278
TOTAL EXPENDITURE	10,091	9,696	+395	9,584
NET INCOME BEFORE OTHER FUNDS	-933	-1,101	-168	-666
Income from 'other funds'	267	236	-31	215
Expenditure from 'other funds'	-255	-273	-18	-331
Funding from DSF capital funds	200	244	+44	231
OPERATING DEFICIT	-721	-894	-173	-551

The 'other funds' detailed above relate to ancillary DBF funds, including the DBF Clergy Charities, which provides small welfare grants to clergy, the Educational Foundations funds and two Fresh Expressions.

TABLE 2 – Reconciliation of deficit to Statement of Financial Activities (SOFA)	£000
OVERALL OPERATING DEFICIT (as above)	-894
<u>Exceptional items (that were not budgeted)</u>	
Unrealised gains on investments	+5,194
Realised gains on sale of property & land (shown in 'Other Income' on the SOFA)	+521
Annual net actuarial pension scheme adjustments	+310
Funding from DSF Capital funds for improvements to housing	-244
Actuarial gains on pension schemes	+71
Educational Foundations grant for Deanery School (agreed in earlier years)	-50
Capital grants (received for the Resourcing churches)	+18
NET MOVEMENT IN FUNDS (per SOFA on Page 24)	4,926

Significant Property Transactions

The DBF spent £244,000 (2020: £231,000) on necessary improvements to benefice houses in the year from the Diocesan Stipends Capital Fund. The Diocesan Stipends Capital Fund is available for providing and improving benefice and glebe properties and when invested provides income for clergy stipends. One surplus property was sold and no properties were purchased during 2021.

Balance sheet position

The Directors consider that the balance sheet together with details in note 27 show broadly that the restricted and endowment funds are held in an appropriate mix of investments and current assets given the purposes for which the funds are held.

During 2021, net assets have grown significantly, totalling £77,690,000 at the balance sheet date compared to £72,794,000 at the end of 2020. However, it is worth highlighting that within this total are properties, mostly used for ministry, whose value amounted to £33,836,000 (2020: £33,765,000). Much of the remainder of the assets shown in the balance sheet are held in restricted funds, and cannot necessarily be used for the general purposes of the DBF.

Reserves policy

The reserves policy of the DBF applies to three distinct levels of its operations.

On one level, the policy is to ensure sufficient funds are available to maintain the smooth, ongoing operations of the DBF. The management of these reserves helps the DBF to ride out daily cash flow requirements, which can be quite substantial considering that the largest item of expenditure (clergy stipends) is paid monthly but the largest income source (Parish Share) tends to come in unevenly across the year overall.

On a second level, the policy is to maintain the minimum level of cash and liquid assets in order to permit the DBF to fulfil its immediate financial commitments and effect a smooth transition should a major change or disruption occur to its operations.

Finally, the policy is to maintain sufficient invested reserves, in order to minimise the call made on parishes to support the work of the Diocese. The annual cost of ministry and related support costs are not wholly covered by annual Parish Share receipts in the DBF budget and a significant factor in bridging this gap is the income generated by historic reserves. The DBF is willing to use its reserves to invest in future ministry and support the Diocese's strategic initiatives, with a view to these becoming self-sustaining over time.

The total of unrestricted funds (designated and undesignated) at 31st December 2021 amounted to £22,390,000 (as shown in note 27), of which £10,495,000 was held in marketable securities and £12,627,000 is tied up in tangible fixed assets (as shown in note 28), which is sufficient to meet this policy.

The required reserves figure (based on the first two levels above) is estimated to equate to at least three months of general fund expenditure and would amount to approximately £2,428,000. At 31st December 2021, net current assets were £1,948,000 (this amount includes undesignated investments, general fund current assets and general fund creditors, as shown in note 28). Successive operating deficits over recent years and the purchase of various properties has reduced the DBF's liquid assets and the DBF renewed a £2m bank borrowing facility in mid 2021 as a result. The DBF's cash flow continues to be monitored closely. The DBF has a number of other endowment and restricted funds which are represented by investments and fixed assets. The purpose of these funds is detailed in note 29 of the financial statements.

Grant making policy

The DBF made a grant of £270,000 (2020: £278,000) to the Archbishops' Council of the Church of England in 2021, as a contribution towards the costs of supporting the National Church Institutions, grants and contributions to other organisations and mission agencies' pension contributions; details of the amounts paid are shown in note 13. Bristol Diocesan Clergy Charities makes grants to diocesan clergy and their dependants, who are in conditions of need, hardship or distress; to advance the education of children of diocesan clergy; and to assist with the holiday expenses of clergy. Other grants made from time to time by the DBF are approved by the Directors in each year's budget.

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Loans policy

The DBF advances loans to parishes largely to facilitate fabric works in support of their overall mission and ministry. Interest-free loans of up to £10,000 (formerly £5,000) are made from DBF funds, with larger loans being obtained through the CBF Diocesan Loan Scheme, if available, or directly from the DBF's own funds, subject to availability and eligibility criteria. These are considered to be concessionary loans in accordance with Section 34 of FRS102.

Investment policy

The DBF has power to invest funds not immediately required for operational purposes in such concerns, securities or properties as it thinks fit. The Directors have resolved to invest such funds mainly within the various CBF Funds, managed by CCLA Investment Management Limited, which also operates the ethical investment policy of the National Church Institutions. The overall investment objective is to maintain long term real (i.e.net of inflation) capital value; maximise total return (income and capital), with medium risk. The DBF has also committed to a fossil-free investment portfolio. The Finance Committee monitors investment performance through quarterly reports from the Investment Advisers. The majority of investments are held as permanent endowments for the long-term and therefore the Directors' investment advisers continue to recommend no material change to the current investment strategy. The investments held and their returns during the year are set out in the following table:

	Funds at 31 st December 2021 £'000s	Proportion of portfolio	Income yield in year	Total Return* in year (gross)	Total Return in year of comparator
CBF Investment Fund	25,001	61.80%	2.64%	+17.46%	+10.20%
CBF Global Equity Fund	9,732	24.06%	2.44%	+19.20%	+22.69%
CBF Property Fund	2,177	5.38%	4.40%	+19.74%	-0.48%
CBF Fixed Interest Fund	717	1.77%	2.16%	-4.17%	+6.77%
Other investments	2,825	6.99%	-	-	-
	40,452	100.00%			

*Capital and income

Connected charities

The Foundation of Saint Matthias (registered charity number 311696) is administered from the DBF's registered office by its Clerk to the Trustees, who is an employee of the DBF. The Foundation paid a fee for these services of £27,126 in 2021 (2020: £31,001), in addition the Foundation paid £4,255 (2020: £3,988) for Accountancy services provided by the DBF. The Foundation made a grant to the DBF in 2021 of £50,000 towards the work of the Adviser to schools and the resource centre in the Diocese (2020: £50,000).

Many of the Directors are involved with charitable bodies which are potentially beneficiaries to or from the DBF and a register is kept of these involvements. The Directors are mindful of their duties as Trustees of this charity and ensure that possible conflicting interests are declared and that all decisions are reached on a proper basis.

Grants received

The DBF is thankful to the various grant-making bodies that have supported the work of the Diocese of Bristol during 2021. Significant grants were received by the DBF during the period, including £1,169,000 from the Archbishops' Council; £187,000 from the Temple Ecclesiastical Charity; £117,500 from Allchurches Trust and £60,000 from the Bristol Archdeaconry Charity.

Further details of grants and donations received in the year are shown in note 3.

Directors

None of the Directors have received any emoluments from the DBF in their capacity as Directors or for services to the DBF. However, included in clergy stipends are the emoluments and expense reimbursements of certain Directors who have been paid in respect of their duties as clergy. Note 14 to the accounts details transactions with the Directors during the year. As in previous years, the DBF has maintained insurance cover against losses arising from claims against it for wrongful acts committed by its Directors and officers.

Charitable contributions

Charitable contributions have been paid as normal expenditure in the pursuance of the DBF's objects. No political contributions have been made.

Taxation status

The DBF is a registered charity and, as such, is able to claim certain exemptions from Corporation Tax. No provision for tax is considered necessary.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors, through an Audit and Risk Committee, which normally meets three times a year, have continued the process of examining the major strategic and operational risks which the DBF faces. They hold and monitor a register of the significant risks, assessing the probability of occurrence and likely impact if they were to occur.

In 2021, the Audit and Risk Committee continued to use the framework for identifying and managing risk that was adopted in 2017. This framework requires the Directors to set their corporate appetite for risk in four areas (finance, reputation, engagement and operations) and has been designed to provide clarity about the operational and strategic risks facing the DBF.

The impact and likelihood of each risk have been scored and the top scoring risks above the appetite of the Directors are as follows, along with their mitigation strategies:

Income from Parish Share is insufficient to meet the financial commitments and the strategic plans of the Diocese.

Mitigation:

- Continually improve and imbed the current approach to Parish Share, with active engagement with parishes and careful control of DBF expenditure;
- Sustain roll-out of stewardship initiatives and tools to encourage generosity (e.g. Parish Giving Scheme, contactless etc.), with support of Giving & Resources Adviser(s), Archdeacons and other champions.

Risk that *Transforming Church. Together* fails to develop a credible, effective and deliverable strategy for the diocese

Mitigation:

- Effective oversight from the Bishop's Council and a dedicated and resourced project team;
- Robust stakeholder engagement;
- Consultancy from the National Church Strategy & Development Unit.

Significant societal changes due the worldwide spread of COVID-19 coronavirus have a long-term impact on the Diocese's ability to maintain and grow its ministry

Mitigation:

- Continue to assess the long-term impact of the pandemic on parishes, including sustainability (in terms of people or finances); individual and corporate resilience, capacity and adaptability;
- Ensure the development of the new Diocesan strategy responds to a post-COVID context;
- Continue to assess the long-term impact on the Diocese, including the ability to sustain current clergy and support staff numbers.

Risk to income and costs due to increasing inflationary pressures and the impact on the cost of living

Mitigation:

- Tight management of DBF finances, including the affordability of cost of living increases and other key financial decisions;
- Critical assessment of where the burden of increasing costs falls in the Diocese, taking mitigating action as appropriate.

Serious safeguarding case identified (past or current)

Mitigation:

- Ensure swift action is taken if a situation does arise, with effective safeguarding provision available through the diocesan safeguarding adviser, training officers and caseworkers;
- Ensure safer recruitment, training, policies applied and audited at diocesan and parish level;
- Effective oversight and scrutiny by the Diocesan Safeguarding Steering Group (DSSG);
- Continuation of positive safeguarding leadership, communication and culture.

COVID-19

The Directors have considered the impact that the COVID-19 pandemic will continue to have on the DBF's current and future financial position. These include the impact on Parish Share, which is highly related to the income of parishes, and which has continued to be affected by restrictions on church activities in 2021.

The DBF is taking the following steps to mitigate the continuing threats that COVID-19 may pose to the organisation:

- Supporting parishes to sustain ministry and mitigate the loss of income;
- Careful management of cash balances to ensure sufficient liquidity; and
- Reducing and deferring expenditure, where possible and appropriate.

The Directors consider that the DBF will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The DBF has sufficient cash to meet short-term needs; and
- The DBF could increase borrowing or sell assets (property or investment) if required.

The Trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

STRUCTURE AND GOVERNANCE

Organisational structure

The DBF is governed by its Memorandum and Articles of Association, but also has to work in accordance with the requirements of the Synodical Government Measure 1969, which is regularly updated by means of its Schedule 3 'Church Representation Rules'.

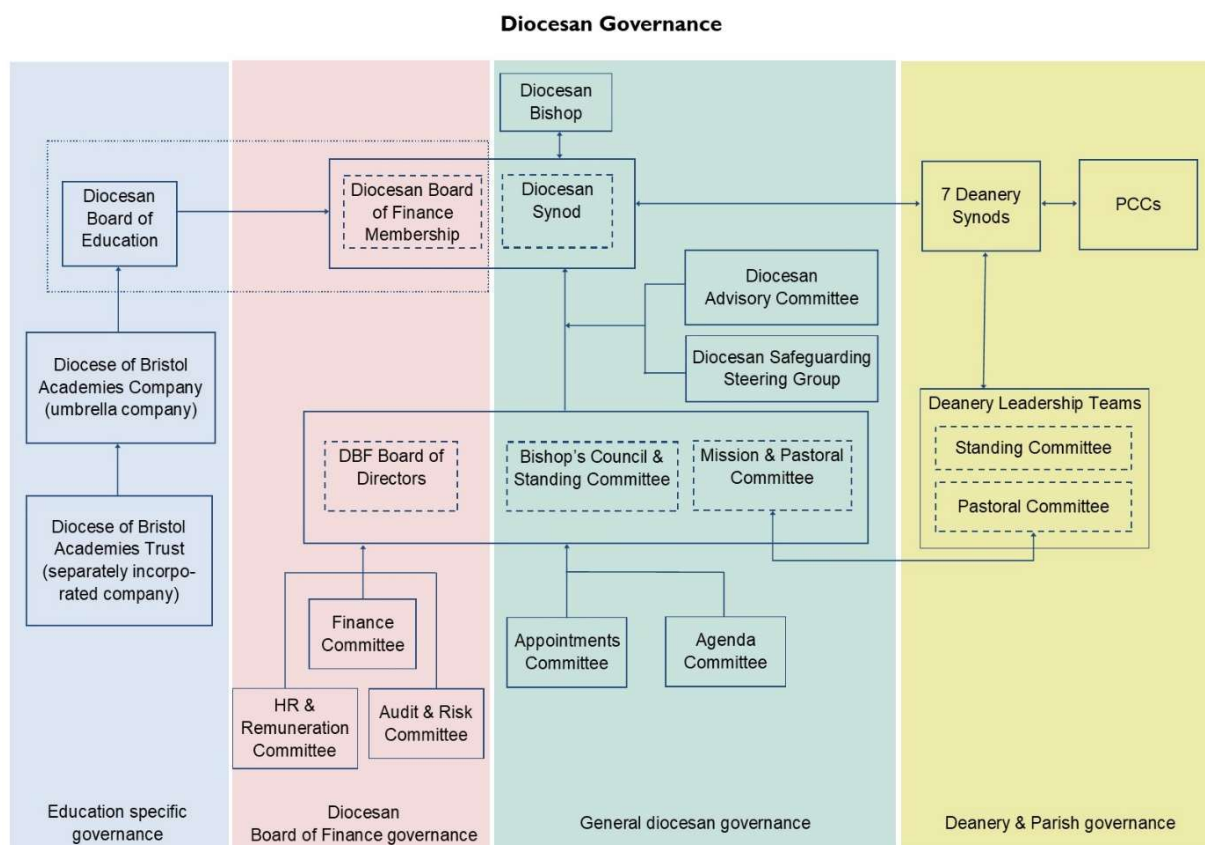
The Articles provide that the members of the Standing Committee (Bishop's Council) shall be the Directors. The Bishop's Council and Standing Committee are elected triennially by the houses of clergy and laity of the Diocesan Synod, in accordance with Church Representation Rules. Certain officers of the Diocese are *ex-officio* members of the Bishop's Council and Standing Committee. The Chairman and Vice-Chairman of the Board are elected at the next General Meeting following the election of members. All members of the Diocesan Synod who are not DBF employees are entitled to be members of the company.

Following election, the Board of Directors are provided with information about their duties and responsibilities as Charity Trustees and Company Directors. This training last took place in February 2022 at the beginning of the Director's three-year term.

Decision making structure

The Bishop's Council and Directors met seven times in 2021. All business between Directors' meetings is dealt with by the Finance Committee, which met seven times in 2021. On behalf of the Directors, the Committee deals with such matters as the annual accounts, the receipt of Parish Share and the management of the DBF's corporate property, investments and its role as Diocesan Authority for Parochial Trusts. It also deals with matters relating to the work of the Parsonages Board and the Diocesan Board of Education.

The DBF, although a fully independent charity, is one of 42 Dioceses in the Church of England, which itself is governed under the Synodical Government Measure 1969 by General Synod and the Archbishops' Council. The diagram below shows the overall structure of diocesan governance and the interaction between different committees and bodies.



Remuneration of key management personnel

Emoluments of higher-paid employees are based on job evaluation and remuneration levels are scrutinised by the HR and Remuneration Committee, which in 2021 consisted of one DBF Director and two co-opted members with professional expertise. The HR and Remuneration Committee make recommendations to the Finance Committee and its terms of reference include remuneration and HR policy.

Public benefit

The Directors consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and in particular the Commission's guidance in *The Advancement of Religion for the Public Benefit*; the Directors believe they have had regard to the duty in their administration of the DBF.

The Directors believe that, by promoting the work of the Church of England in the Diocese of Bristol, the DBF helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the Diocese as a whole and in its individual parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

The Directors believe that this report, taken as a whole, provides evidence that the DBF's work in 2021 furthered its charitable purposes for the public benefit.

Constitution

The Bristol Diocesan Board of Finance Limited (the DBF) is a company limited by guarantee registered under the Companies Act, number 156243. It is also a registered charity, number 248502, registered in England and Wales. The principal office and registered office of the charity is Diocesan Office, First Floor, Hillside House, 1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU.

Directors and Trustees

The Directors of the Board of Finance are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Directors. This report constitutes the Trustees' report for charity law purposes and the Directors' report for Companies Act purposes.

Delegation of day to day delivery

The names of all those who were Directors on the date the report was approved are given on page 19 of this report, as are the names of any who served as Directors from the start of the financial year.

The name of the Diocesan Secretary (Chief Administrative Officer), to whom day to day management of the charity has been delegated, and the names and addresses of professional advisers are to be found on page 20.

Funds held by the DBF as trustee

In February 1998, the Charity Commissioners issued a scheme making the DBF the sole Trustee of the charity known as the Bristol Diocesan Clergy Charities. The accounts of this charity have been aggregated into these financial statements as they are administered by the DBF and held for specific purposes which are within the general purposes of the DBF.

By virtue of the Parochial Church Council (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners schemes, the DBF is the Diocesan Authority over certain assets held on permanent trusts. These assets have not been aggregated in these financial statements, since the DBF does not control them. Separate financial statements have been prepared to account for the DBF's stewardship of these assets, and full trust accounts for each trust are the responsibility of the managing trustees in each case. Copies of the separate financial statements are available from the Secretary at the Registered Office of the DBF.

Funds held on behalf of schools

The Diocesan Board of Education (DBE) is incorporated within the DBF and receives contributions from governors of voluntary-aided church schools within the Diocese in connection with major repair and capital projects to church schools and also government grants in connection with the same. The DBE administers these monies as managing agent and makes appropriate payments to contractors for work carried out. The monies do not belong to the DBE and as such the receipts and payments are not treated as income and expenditure in the Statement of Financial Activities. Any monies held at the balance sheet date are treated as creditors on the balance sheet.

The amount included in creditors as at 31st December 2021 is £997,960 (2020: £1,073,000). The income and expenditure relating to school projects not reflected in the Statement of Financial Activities amounted to £526,000 and £385,000 respectively in 2021 (2020: £390,000 and £399,000).

Suppliers, customer and others

During 2021, the DBF has had regard to the need to foster the organisation's relationships with suppliers, customers and others.

TRUSTEES' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and Strategic Report and the financial statements in accordance with applicable law and regulations.

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

- select the most suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Statement of disclosure to Auditors

So far as the Directors are aware,

- a) there is no relevant audit information of which the charitable company's Auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's Auditors are aware of that information.

Appointment of Auditors

A resolution to appoint auditors to the Company and to authorise the Directors to fix their remuneration will be proposed at the Annual General Meeting.

ADMINISTRATIVE DETAILS

Directors and Trustees

The following served as Directors and Trustees from 1st January 2021 to the date this report was approved (unless shown otherwise):

President: The Rt Rev Dr V F Faull, Bishop of Bristol *

Chairman: Canon A J S Lucas *

Vice Chairman: Canon C W E R Buchan FCA * (to 31st December 2021)

The Rev Canon R W Adams (to 31st July 2021)

The Ven C P Bryan *, Archdeacon of Malmesbury

The Rev K M Campion-Spall (to 31st December 2021)

The Rev B M Charles (from 1st January 2022)

Professor D N Clarke *

Mrs C Davison (to 31st December 2021)

Ms C E Dursley (to 31st December 2021)

Mr B A Finnamore

The Very Rev A K Ford, Dean of Bristol (from 3rd October 2020)

Mrs C L Jefferis (from 1st January 2022)

Canon N R Orman (to 31st December 2021)*

The Rt Rev Dr L S Rayfield, Bishop of Swindon

Mrs A M Rowe (from 1st January 2022)

Miss A Scott (from 1st January 2022)

The Rev D J Stephenson (from 1st January 2022)

Mr J D Sunderland

The Ven N M Warwick *, Archdeacon of Bristol

The Rev T A Wigley *

* *Members of Finance Committee in 2021*

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Senior management and advisers

Diocesan Secretary (to 30/6/2021)	Canon O C B Home
Diocesan Secretary (from 1/1/2022)	Rear Admiral R D Leaman CB OBE
Deputy Diocesan Secretary	
(Acting Diocesan Secretary (from 1/7/2021 to 31/12/2021)	Mr M J Hall FCA
Director of Communications	Ms S Cordwell
Director of People & Safeguarding (from 13/04/2021)	Mrs C Jowett-Ive
Head of Parish & External Relations (to 28/02/2021)	Mr C Priddy
Head of Governance & Property (to 31/10/2021)	Mrs S Moody
Director of Ministry Development	The Rev Dr S Taylor
Diocesan Director of Education	Ms E Townend
Company Secretary	Canon O C B Home (to 30/6/2021) Mr M J Hall (from 1/7/2021)
Registered Office	1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU.
Auditors	Mazars LLP 90 Victoria Street Bristol, BS1 6DP.
Solicitors	Harris & Harris 14 Market Place, Wells, Somerset, BA5 2RE.
Bankers	National Westminster Bank plc 40 Queen's Road, Clifton, Bristol, BS8 1BF.
Insurers	Ecclesiastical Insurance Group Beaufort House, Brunswick Road, Gloucester, GL1 1JZ.
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET.

This report, which incorporates the Strategic Report, was approved by the Directors of the Bristol Diocesan Board of Finance Limited on 12th May 2022 and signed on their behalf by

Andrew Lucas
Chairman

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

Opinion

We have audited the financial statements of The Bristol Diocesan Board of Finance Limited (the 'company') for the year ended 31st December 2021 which comprise The Statement of Financial Activities, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 company's affairs as at 31st December 2021 and of its loss 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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 statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 trustees' responsibilities statement set out on page 18, the trustees 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006 and the Charities Act 2019.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to defined benefit pension obligations, revenue recognition (which we pinpointed to the cut-off assertion, and significant one-off or unusual transactions).

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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

Richard Bott (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol
BS1 6DP

Date: 30/5/2022

The Bristol Diocesan Board of Finance Limited
Statement of Financial Activities
for the year ended 31 December 2021

		Unrestricted		Restricted	Endowment	2021	2020
	Note	Undesignated Funds	Designated Funds	Funds	Funds	Total Funds	Total Funds
		£,000	£,000	£,000	£,000	£,000	£,000
Income and endowments from							
Donations	3						
Parish Share contributions		5,114	-	-	-	5,114	5,159
National Church Institutions (NCIs)		503	-	671	-	1,174	1,563
Other donations		641	-	43	-	684	3,499
Charitable activities	4	311	-	-	-	311	238
Other activities	5	375	-	1	-	376	350
Investments	6	499	176	515	-	1,190	1,038
Gains/(Loss) on sale of assets	7	-	180	-	341	521	2,124
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total income		7,443	356	1,230	341	9,370	13,971
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on							
Raising funds	8	98	1	33	-	132	131
Charitable activities	9	8,396	157	1,037	244	9,834	9,767
Other expenditure & adjustments	10	(278)	1	20	-	(257)	(334)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	11	8,216	159	1,090	244	9,709	9,564
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income / (expenditure) before other gains		(773)	197	140	97	(339)	4,407
Net gains / (losses) on investments		164	928	1,026	3,076	5,194	2,679
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income		(609)	1,125	1,166	3,173	4,855	7,086
Transfers between funds	15	2,092	960	(187)	(2,865)	-	-
Actuarial gains / (Losses) on pension schemes		71	-	-	-	71	(59)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		1,554	2,085	979	308	4,926	7,027
Funds brought forward		8,228	10,523	9,634	44,379	72,764	65,737
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Funds carried forward	27	9,782	12,608	10,613	44,687	77,690	72,764
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

All activities relate to continuing activities.

The notes on pages 28 to 52 form part of these financial statements.

The Bristol Diocesan Board of Finance Limited
Income and Expenditure Account
for the year ended 31 December 2021

	2021	2020
	£,000	£,000
Total income	9,028	12,979
Total expenditure	(9,464)	(9,333)
Operating (deficit) / surplus for the year	<u>(436)</u>	<u>3,646</u>
Net gains / (losses) on investments	2,119	1,697
Net income for the year	<u>1,683</u>	<u>5,343</u>

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

The Bristol Diocesan Board of Finance Limited
Balance Sheet
as at 31 December 2021

	Note	£,000	2021 £,000	£,000	2020 £,000
FIXED ASSETS					
Tangible assets	16-18		33,869		33,781
Investments	19		44,123		38,894
			<u>77,992</u>		<u>72,675</u>
CURRENT ASSETS					
Debtors	20-21	1,268		1,173	
Cash on deposit	22	3,099		4,829	
Cash at bank and in hand	22	517		430	
		<u>4,884</u>		<u>6,432</u>	
CREDITORS: amounts falling due within one year	23	(1,521)		(4,180)	
NET CURRENT ASSETS			<u>3,363</u>		<u>2,252</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>81,355</u>		<u>74,927</u>
CREDITORS: amounts falling due after more than one year	24		(3,665)		(2,163)
NET ASSETS	28		<u>77,690</u>		<u>72,764</u>
FUNDS					
Endowment funds	27				
Endowment funds revaluation reserve		13,117		15,885	
		31,570		28,494	
			<u>44,687</u>		<u>44,379</u>
Restricted funds		6,365		6,413	
Restricted funds revaluation reserve		4,248		3,221	
			<u>10,613</u>		<u>9,634</u>
Unrestricted funds		14,815		12,649	
Revaluation reserve		8,018		6,926	
Unrestricted funds excluding pension liability		22,833		19,575	
Pension reserve		(443)		(824)	
			<u>22,390</u>		<u>18,751</u>
TOTAL FUNDS			<u>77,690</u>		<u>72,764</u>

The Cash Flow Statement and the Notes form part of these financial statements. The financial statements were approved and authorised for issue by the Directors of the Bristol Diocesan Board of Finance Limited on 12th May 2022 and signed on their behalf by

Andrew Lucas
Chairman

The Bristol Diocesan Board of Finance Limited
Cash flow statement
for the year ended 31st December 2021

	£,000	2021 £,000	£,000	2020 £,000
Net cash inflow / (outflow) from operating activities		(3,090)		2,347
Cash flows from investing activities				
Dividends, interest and rent from investments	1,170		1,038	
Proceeds from the sale of:				
Tangible fixed assets	521		2,650	
Fixed asset investments	55		998	
Purchase of:				
Tangible fixed assets for the use of the DBF	(121)		(598)	
Fixed asset investments	(90)		(998)	
Transfer of assets (from BMHT)	-		(2,476)	
Net cash provided by / (used in) investing activities		1,535		614
Cash flows from financing activities				
Loans repaid by the DBF	(2,088)		(64)	
New loans received by the DBF	2,000		-	
Net cash provided by / (used in) financing activities		(88)		(64)
Change in cash and cash equivalents in the period		(1,643)		2,897
Cash and cash equivalents at 1st January		5,259		2,362
Cash and cash equivalents at 31st December		3,616		5,259
Reconciliation of net movements in funds to net cash flow from operating activities				
Net movement in funds for the year ended 31st December		(339)		4,407
Adjustments for:				
Depreciation charges		33		18
Dividends, interest and rent from investments		(1,170)		(1,038)
(Profit) on sale of functional assets		(521)		(1,965)
(Profit) on sale of fixed asset investments		(8)		30
(Increase) / decrease in debtors		(95)		507
(Decrease) / increase in creditors (excl. loans)		(990)		388
Net cash provided by / (used in) operating activities		(3,090)		2,347
Analysis of cash and cash equivalents				
Cash in hand		517		430
Notice deposits (less than 3 months)		3,099		4,829
		3,616		5,259

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

BACKGROUND INFORMATION

These financial statements comprising the Statement of Financial Activities, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes 1 to 38 constitute the individual financial statements of The Bristol Diocesan Board of Finance Limited for the financial year ended 31st December 2021.

The Bristol Diocesan Board of Finance Limited is a private company limited by guarantee, incorporated in England & Wales. The address of its registered office is Diocesan Office, First Floor, Hillside House, 1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU, which is also the principal place of business. The principal activities of the entity are described in the legal objects section on page 2 of the Annual Report of the Directors.

The financial statements have been presented in Pound Sterling as this is functional currency of the DBF and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

1. ACCOUNTING POLICIES

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

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The Bristol Diocesan Board of Finance Limited meets the definition of a public benefit entity under FRS 102.

GOING CONCERN

The Directors have reviewed the anticipated performance for a period of at least twelve months from the date of approval of the financial statements and concluded that there is no material uncertainty regarding the DBF's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the Directors consider it appropriate to prepare the financial statements on a going concern basis. The Directors consider that the DBF has sufficient reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

a) Income

All income is included in the Statement of Financial Activities (SOFA) when the DBF is legally entitled to them as income or capital, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

i) Parish Share

The principal source of income of the DBF is Parish Share, and amounts undertaken to be paid by parishes for the year, but not received by the year-end, are only accrued if received on or before the 31st January 2022.

ii) Rent

Rent receivable is recognised as income in the period to which it relates.

iii) Interest and dividends

The amounts shown in the accounts in respect of interest represent the income received in the year and no account has been taken of accrued interest. Dividends from investments reported in these financial statements are recognised when they become receivable.

iv) Grants and donations

Income from grants and donations is recognised on receipt, except where it relates specifically to expenditure to be incurred at a future date, in which case the income is deferred in the balance sheet.

v) Parochial fees

Income due to the DBF in respect of parochial fees is recognised as income of the year to which they relate.

vi) Gains on disposal of fixed assets for the DBF's own use

Gains on the disposal of non-investment assets are accounted for as other income. Losses on disposal of such assets are accounted for as other expenditure.

vii) Diocesan Stipends Fund (DSF) income

The Stipends Fund Capital account is governed by the Diocesan Stipends' Measure 1953, as amended, and the use of the income restricted for clergy stipends. However, the income is fully expended within the year of receipt and legal restrictions, therefore, are satisfied. This income is included in the restricted column on the Statement of Financial Activities and as a transfer to the unrestricted fund, where the related expenditure is shown.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

b) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

i) Costs of raising funds

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

ii) Charitable expenditure

Charitable expenditure is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry in the parishes of the diocese, expenditure relating to the running of the diocesan retreat centre, and expenditure on education and Church of England schools in the diocese.

iii) Grants payable

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure where the conditions attaching are fulfilled.

iv) Support costs

Support costs consist of central management, administration and governance costs. The amount spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff time basis.

v) Pension contributions

Current DBF staff are members of a defined contribution scheme and clergy are members of the Church of England Funded Pensions Scheme (see note 35). The pension costs charged as resources expended represent the DBF's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding for the pension schemes to which DBF participates is accrued at current value in creditors distinguished between contributions falling due within one year and after more than one year.

The DBF operates a defined benefit pension scheme, now closed to new members. The amounts charged to the SOFA are the current service costs and gains and losses on settlement and curtailments. They are included as part of other expenditure in the SOFA. Past service costs are recognised immediately in the SOFA if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs in other expenditure. Actuarial gains and losses are recognised immediately at the bottom of the SOFA.

The defined benefit scheme is funded, with the assets of the scheme held separately from those of the company, in a separate trustee-administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent current and term to the scheme liabilities. The actuarial valuation is obtained at least triennially and is updated at each balance sheet date.

c) Tangible fixed assets and depreciation

i) Freehold properties

Freehold properties have been valued using the mid-point of the applicable council tax band, adjusted to 1st January 1993 by an appropriate index, or cost where known. Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case, and because their expected residual value is not materially less than their carrying value. The DBF has a policy of regular structural inspection, repair and maintenance, which in the case of residential properties is in accordance with the Repair of Benefices Buildings Measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties generally occur well before the end of their economic lives and disposal proceeds are usually not less than their carrying value. The Trustees perform annual impairment reviews in accordance with the requirements of FRS102 to ensure that the carrying value is not more than the recoverable amount.

Redundant churches have been valued at £1,000, reflecting the uncertainty of whether they will be sold by the DBF.

ii) Properties subject to value linked loans

Properties which have been bought with the assistance of value-linked loans from the Church Commissioners are valued at cost, with the corresponding value of the related loan at the balance sheet date shown within creditors.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

iii) Investment properties

Glebe land has been valued at market value, using an appropriate value per acre, by Arthur Witchell FRICS of Savills UK, based on recent professional valuations and many years experience of rural estate management. Other glebe properties are valued at market value provided by T J Maggs MRICS of Maggs and Allen, based on many years of experience of property valuations in the area.

iv) Parsonage houses

The DBF has followed the requirements of FRS102, in its accounting treatment for benefice houses (parsonages). FRS102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The DBF is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent. The Trustees therefore consider the most suitable accounting policy is to capitalise such properties as expendable endowment assets and to carry them at the mid-point of the applicable council tax band, adjusted to 1st January 1993 by an appropriate index, or cost where known.

v) Refurbishment costs and office equipment

Refurbishment costs are capitalised and depreciated over ten years using the straight-line method. Office equipment and furniture is capitalised and depreciated over three years using the straight-line method. Grants made for capital expenditure on church and other buildings not in the DBF's ownership are written off in the year the grant is made.

d) Other tangible fixed assets

All capital expenditure over £5,000 is capitalised and depreciated as follows. Depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives at the following initial rates:

Fixtures and fittings	10% -33% per annum	straight-line basis
IT equipment	33% per annum	straight-line basis

e) Other accounting policies

i) Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

ii) Leases

The DBF has entered only into operating lease arrangements for the use of certain assets, the rental for which is charged in full as expenditure in the year to which it relates. Where rent free periods are given as part of an operating lease, the impact of this rent free period is reflected in the Statement of Financial Activities over the lease term.

iii) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

f) Fund balances

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

i) Unrestricted funds

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the DBF and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Long-term liabilities in respect of defined benefit pension scheme deficits are shown in a specific undesignated pension reserve fund. This is a deviation from the recommendations of the Diocesan Annual Report and Financial Statements Guide (5th Edition).

ii) Restricted funds

Restricted funds are funds which have been raised by the DBF for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

iii) Endowment funds

Permanent endowment funds are a particular type of restricted fund which must be held permanently and the capital of the fund maintained. Expendable endowment funds are similar to permanent endowments except that there is power of discretion to convert endowed funds into income to be expended.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Benefice houses recognition

Benefice houses are legally vested in the incumbent of the benefice. However, the DBF has recognised these properties as functional assets of the DBF on the basis that the DBF carries both obligations in terms of maintenance and improvement and object related benefits of ownership.

Depreciation of freehold properties

The DBF does not depreciate its freehold properties as it judges any depreciation charge to be immaterial on the basis of the long life of the asset and high residual value on the basis of the DBF policy of regular maintenance. The DBF carries out periodic impairment reviews to ensure that properties are not being carried at values exceeding their fair value.

Revaluation of investment properties

The entity carries its investment property at fair value, with changes in fair value being recognised in the Statement of Financial Activities. The entity engaged independent valuation specialists to determine fair value at 31st December 2015 and has considered market movements since this date. The valuer used a valuation technique based on a value per acre of agricultural land and the market value for residential properties. The determined fair value of the investment property is most sensitive to the estimated value per acre of the particular land asset in question.

Pension and other post-employment benefits

The cost of defined benefit pension plans and other pension related provision are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty.

In determining the appropriate discount rate, management considers the interest rates of corporate bonds with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates and for the clergy pension scheme assumptions have been made about the number of future clergy in post.

Discount rate

Further details are given in note 35.

Small values

Values which are £Nil are shown as - ; those below £500 are shown as 0.

2. MOVEMENT IN FUNDS FOR THE YEAR

	2021	2020
	£,000	£,000
The net income for the year is stated after charging:		
Auditors' remuneration	21	19
Auditors' non-audit remuneration	-	-
Depreciation	33	18
Operating lease charges – plant and equipment	109	109
Interest payable on loans wholly repayable: within one year	42	48
Interest payable on loans wholly repayable: between one and five years	6	-
Interest payable on loans wholly repayable: after more than five years	21	21
	<hr/>	<hr/>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

3. DONATIONS

Parish Contributions

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

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2021	2020
	£,000	£,000	£,000	£,000	£,000	£,000
Pledges received from parishes	5,239	-	-	-	5,239	5,514
Shortfall in contributions	(241)	-	-	-	(241)	(394)
	<u>4,998</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,998</u>	<u>5,120</u>
Extra contributions	83	-	-	-	83	13
	<u>5,081</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,081</u>	<u>5,133</u>
Receipts for previous years	33	-	-	-	33	26
	<u>5,114</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,114</u>	<u>5,159</u>

National Church Institutions (NCIs)

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2021	2020
	£,000	£,000	£,000	£,000	£,000	£,000
Lower Income Communities Funding	434	-	-	-	434	419
Strategic Development Funding	-	-	506	-	506	768
Sustainability Funding	-	-	-	-	-	325
Strategic Capacity Funding	-	-	161	-	161	4
Strategic Ministry Funding	68	-	-	-	68	33
New housing areas	-	-	-	-	-	9
CEMES	-	-	4	-	4	4
Church Commissioners annuities	1	-	-	-	1	1
	<u>503</u>	<u>-</u>	<u>671</u>	<u>-</u>	<u>1,174</u>	<u>1,563</u>

Other donations

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2021	2020
	£,000	£,000	£,000	£,000	£,000	£,000
Temple Ecclesiastical Charity	187	-	-	-	187	187
Allchurches Trust	118	-	-	-	118	106
Bishop Monk's Horfield Trust	-	-	-	-	-	2,647
Bristol Archdeaconry Charity	60	-	-	-	60	60
The Foundation of St Matthias	50	-	-	-	50	50
Marshall's Charity	4	-	-	-	4	3
Other donations	15	-	25	-	40	34
For strategic initiatives	-	-	18	-	18	197
For parochial ministry	109	-	-	-	109	80
For education work	44	-	-	-	44	54
For general purposes	32	-	-	-	32	77
Towards redundant churches	22	-	-	-	22	4
Deferred income	-	-	-	-	-	-
	<u>641</u>	<u>-</u>	<u>43</u>	<u>-</u>	<u>684</u>	<u>3,499</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

4. CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2021	2020
	£,000	£,000	£,000	£,000	£,000	£,000
Statutory fees	263	-	-	-	263	197
SACRE and SIAMS	38	-	-	-	38	29
Schools work	6	-	-	-	6	6
Ministry courses	4	-	-	-	4	6
	<u>311</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>311</u>	<u>238</u>

5. OTHER ACTIVITIES

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2021	2020
	£,000	£,000	£,000	£,000	£,000	£,000
Property rental	335	-	-	-	335	267
Staff seconded to other charities	40	-	-	-	40	48
Property services to schools	1	-	4	-	1	4
Office space to related charities	-	-	-	-	-	31
Education SLAs	-	-	-	-	-	-
	<u>376</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>376</u>	<u>350</u>

6. INVESTMENT INCOME

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2021	2020
	£,000	£,000	£,000	£,000	£,000	£,000
Dividends and interest receivable	499	162	515	-	1,176	1,027
Rents receivable	-	14	-	-	14	11
Other	-	-	-	-	-	-
	<u>499</u>	<u>176</u>	<u>515</u>	<u>-</u>	<u>1,190</u>	<u>1,038</u>

7. GAINS ON SALE OF ASSETS

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2021	2020
	£,000	£,000	£,000	£,000	£,000	£,000
Gains / (Losses) on sale of assets	-	180	-	341	521	1,935
Other sources	-	-	-	-	-	189
	<u>-</u>	<u>180</u>	<u>-</u>	<u>341</u>	<u>521</u>	<u>2,124</u>

8. FUND RAISING COSTS

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2021	2020
	£,000	£,000	£,000	£,000	£,000	£,000
Parsonage rental costs	98	-	-	-	98	111
Glebe agent's fee	-	-	14	-	14	14
Other glebe costs	-	-	19	-	19	1
Other rental costs	-	-	-	-	-	2
Commercial property costs	1	-	-	-	1	3
	<u>99</u>	<u>-</u>	<u>33</u>	<u>-</u>	<u>132</u>	<u>131</u>

The Bristol Diocesan Board of Finance Limited
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9. CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2021	Total funds 2020
	General	Designated				
	£,000	£,000	£,000	£,000	£,000	£,000
Contributions to Archbishops' Council						
Training for Ministry	225	-	-	-	225	225
National Church Responsibilities	158	-	-	-	158	169
Grants and provisions	19	-	-	-	19	19
Support of mission agency pensions	10	-	-	-	10	9
CHARM	83	-	-	-	83	81
Pooling of ordinands maintenance	(101)	-	-	-	(101)	(103)
	<u>394</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>394</u>	<u>400</u>
Resourcing Ministry and Mission						
Parish Ministry						
Stipends, NI and pensions	3,296	-	-	-	3,296	3,382
Housing costs	1,158	-	-	244	1,402	1,427
Curate stipends, NI and pensions	850	-	-	-	850	719
Mission Area & Resourcing churches	164	-	633	-	797	965
Strategic Transformation	-	-	138	-	138	-
Other parochial costs	130	48	25	-	203	176
Removal, resettlement and grants	214	-	19	-	233	291
Chaplaincy	111	-	-	-	111	108
Ecumenical support	48	-	-	-	48	33
Deanery	22	-	-	-	22	21
Support for parish ministry	1,792	109	6	-	1,907	1,756
	<u>7,785</u>	<u>157</u>	<u>821</u>	<u>244</u>	<u>9,007</u>	<u>8,879</u>
Expenditure on Education						
Support for church schools	217	-	216	-	433	488
	<u>217</u>	<u>-</u>	<u>216</u>	<u>-</u>	<u>433</u>	<u>488</u>
	<u>8,396</u>	<u>157</u>	<u>1,037</u>	<u>244</u>	<u>9,834</u>	<u>9,767</u>

10. OTHER EXPENDITURE

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2021	Total funds 2020
	General	Designated				
	£,000	£,000	£,000	£,000	£,000	£,000
Closed churches	32	1	-	-	33	14
Other churches	-	-	-	-	-	2
Bishop's Urban Fund	-	-	-	-	-	0
Other costs	-	-	20	-	20	-
<i>Pension scheme adjustments:</i>						
Contributions paid (BDBF Staff RBS)	(83)	-	-	-	(83)	(83)
Interest cost (BDBF Staff RBS)	27	-	-	-	27	29
Contributions paid (Clergy scheme)	(224)	-	-	-	(224)	(364)
Remeasurement (Clergy scheme)	(31)	-	-	-	(31)	62
Interest cost (Clergy scheme)	1	-	-	-	1	6
	<u>(278)</u>	<u>1</u>	<u>20</u>	<u>-</u>	<u>(257)</u>	<u>(334)</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

11. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS

	Activities Undertaken Directly £,000	Grant Funding of Activities £,000	Support Costs £,000	Total Costs 2021 £,000
Fundraising costs	132	-	-	132
Charitable activities				
Archbishops' Council	-	394	-	394
Ministry and Mission	7,280	236	1,491	9,007
Education	277	156	-	433
Other	(257)	-	-	(257)
	<u>7,432</u>	<u>786</u>	<u>1,491</u>	<u>9,709</u>

12. ANALYSIS OF SUPPORT COSTS

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2021	Total funds 2020
	General £,000	Designated £,000	£,000	£,000	£,000	£,000
Diocesan Office functions	331	109	-	-	440	418
Finance and Information Services	452	-	-	-	452	404
Advisory services	154	-	-	-	154	145
Safeguarding	122	-	-	-	122	114
Communications	107	-	-	-	107	82
HR function	58	-	-	-	58	58
Parish and External Relations	29	-	-	-	29	75
Registrar and Chancellor	57	-	-	-	57	53
Archdeacon's Office	30	-	-	-	30	30
DAC	2	-	-	-	2	1
Governance and synodical costs	7	-	-	-	7	(2)
Central audit fees	17	-	-	-	17	16
Other professional services	16	-	-	-	16	8
	<u>1,382</u>	<u>109</u>	<u>-</u>	<u>-</u>	<u>1,491</u>	<u>1,402</u>

13. ANALYSIS OF GRANTS MADE

	Number	Individuals £,000	Institutions £,000	2021 Total £,000	2020 Total £,000
From unrestricted funds for national church responsibilities:					
Training for Ministry (Vote 1)	1	-	225	225	225
Apportionment (Votes 2-5)	4	-	270	270	278
Pooling	1	-	(101)	(101)	(103)
From unrestricted funds for various purposes within parish ministry					
PCCs for lay appointments	6	-	34	34	34
Clergy (new appointments)	2	5	-	5	8
Clergy (resettlement)	4	10	-	10	13
Curates (on ordination)	11	28	-	28	27
Curates (resettlement)	-	-	-	-	10
Ordinands (family maintenance)	16	135	-	135	192
From unrestricted funds:					
Ecumenical bodies	1	-	4	4	4
University Chaplaincy	1	-	2	2	2
From restricted funds for various purposes within parish ministry					
Clergy support (Clergy Society)	47	18	-	18	17
From restricted funds for educational purposes					
Educational Foundations grants to schools	3	-	156	156	218
	<u>97</u>	<u>196</u>	<u>590</u>	<u>786</u>	<u>925</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

14. STAFF COSTS

	2021 £,000	2020 £,000
Employee costs during the year were as follows:		
Wages and salaries	1,533	1,377
National Insurance contributions	142	129
Pension costs	187	171
	<u>1,862</u>	<u>1,677</u>

	2021	2020
The average number of persons employed by the group during the year:		
Diocesan Secretary's Office	3	3
HR	4	3
Safeguarding	4	4
Education	6	6
Finance	4	4
Governance and Property	6	6
Ministry Development	8	7
Parish & External Relations	5	6
Archdeacon's Office	2	1
Parochial lay staff	2	1
Parochial clergy (not paid through Clergy Payroll)	3	1
Chaplaincy	4	4
Mission Areas	3	3
Strategic programme	2	1
Communications	2	1
	<u>58</u>	<u>51</u>

	2021	2020
The average number of persons employed by the group during the year based on full-time equivalents:		
Diocesan Secretary's Office	2.4	2.6
HR	2.5	1.8
Safeguarding	2.4	2.3
Education	3.7	3.7
Finance	3.8	3.8
Governance and Property	4.7	4.7
Ministry Development	5.7	4.5
Parish & External Relations	4.6	5.0
Archdeacon's Office	1.8	1.0
Parochial lay staff	0.6	0.7
Parochial clergy (not paid through Clergy Payroll)	1.2	0.8
Chaplaincy	3.4	3.3
Mission Areas	2.6	2.3
Strategic programme	2.0	1.2
Communications	2.0	1.3
	<u>43.4</u>	<u>39.0</u>

	2021	2020
The number of staff whose emoluments (including benefits in kind but excluding Pension contributions) amounted to more than £60,000 were as follows:		
£60,001 - £70,000	2	2
	<u>2</u>	<u>2</u>

Pension payments of £12,409 were made for these employees (2020: £13,238 - 2).

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

14. STAFF COSTS (continued)

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Diocese. During 2021, they were:

Diocesan Secretary/CEO
 Deputy Diocesan Secretary (Finance & Operations)
 Director of Ministry Development
 Head of Governance and Property (to 31/10/2021)
 Head of Parish and External Relations (to 28/02/2021)
 Director of Education
 Communications Director
 Director of People and Safeguarding (from 13 April 2021)
 Remuneration, pensions and expenses for these 9 employees amounted to £408,723 (2020: £375,194)

Directors' emoluments

None of the Directors have received any emoluments from the DBF in respect of services performed as a Director (2020: None).

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

	Stipend & pension	Housing
The Rev Canon R W Adams	Yes	Yes
The Ven C P Bryan	Yes	Yes
The Rev K Campion-Spall	Yes	Yes
The Rt Rev Dr L S Rayfield	No	Yes
The Ven N M Warwick	Yes	Yes
The Rev T A Wigley	Yes	Yes – with effect from May 2021

The DBF is responsible for funding via the Church Commissioners the stipends of licenced stipendiary clergy in the Diocese, other than the bishops and cathedral staff. The DBF is also responsible for the provision of housing for stipendiary clergy in the Diocese, including the suffragan bishop, but excluding the diocesan bishop and cathedral staff.

From time to time some of the directors may be related to clergy or lay staff working in the Diocese and in receipt of a stipend and housing or salary. Travelling and other out of pocket expenses totalling £4,392 (2020 - £2,793) were paid to 4 (2020 - 3) of the Directors during the year, in respect of General Synod duties, duties as Archdeacon or Area Dean, and other diocesan duties.

Expenses totalling £900 were reimbursed to 1 Director in relation to clergy in-service training during 2021. These grants were paid to the individuals as clergy of the Diocese as part of the normal policy of the DBF. No expenses in this respect were incurred in 2020. In 2021 one director received a resettlement grant of £2,527 as clergy (2020 – nil).

Professional indemnity insurance has been taken out to protect the Trustees. This is included in an insurance policy covering the Diocesan Office and staff, Diocesan Synod and the DBF's boards and committees, at an overall cost of £15,079 (2020 - £14,938).

Clergy costs

The DBF paid an average of 119 FTE (Headcount 123) (2020: 119 FTE ; Headcount 125) stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese, and the costs were as follows:

	2021 £,000	2020 £,000
Stipends	3,265	3,288
National Insurance contributions	270	271
Apprenticeship Levy	15	15
Pension costs – current year	878	823
Pension costs – deficit reduction	373	350
	4,801	4,747

The stipends of the Diocesan Bishop and Suffragan Bishops are funded by the Church Commissioners and are in the range £38,050 - £46,640 (2020 range £37,670 - £46,560). The annual rate of stipend, funded by the DBF, payable to Archdeacons in 2021 was in the range £36,830 - £38,239 (2020 range £36,830 - £38,239) and other DBF funded clergy who were Trustees were paid stipends in the range of £27,079 - £28,420 (2020 range £27,079 – £28,420). The estimated value to the occupant, of church provided housing in 2021 was £11,079 (2019 - £11,079).

During 2021, the DBF contributed to the Housing Allowance and incremental stipendiary increase to Residentiary Canon for 1 clergy member at a total of £14,882 (2020: £14,760).

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

15. ANALYSIS OF TRANSFERS BETWEEN FUNDS

	Unrestricted Funds General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000
Use of income from Diocesan Stipends Fund to pay for stipends	283	-	(283)	-
Capital grants for Resourcing churches		18	(18)	-
Mission Area and Resource activity funded from the General Fund	(114)		114	
Book cost of property disposal transferred from Parsonage Building Fund to Pastoral Reserve		128		(128)
Reclassification of properties impacted by historic pastoral schemes	1,923	814		(2,737)
	<u>2,092</u>	<u>960</u>	<u>(187)</u>	<u>(2,865)</u>

16. TANGIBLE FIXED ASSETS – LAND AND BUILDINGS

Endowment funds	£,000	2021 £,000	£,000	2020 £,000
Benefice houses				
As at 1 st January	18,293		18,641	
Additions	-		-	
Less disposals	-		(348)	
As at 31 st December	<u>18,293</u>		<u>18,293</u>	
Glebe properties				
As at 1 st January	3,207		3,303	
Additions	-		-	
Less disposals	-		(96)	
As at 31 st December	<u>3,207</u>		<u>3,207</u>	
Total properties held for permanent funds		21,500		21,500
Restricted funds				
Other properties				
As at 1 st January and 31 st December	<u>128</u>		<u>128</u>	
Total properties held for restricted funds		128		128
Unrestricted funds				
Other properties				
As at 1 st January	7,866		8,138	
Additions	-		-	
Transfer from endowment fund	-		-	
Less disposals	-		(272)	
As at 31 st December	<u>7,866</u>		<u>7,866</u>	
Resourcing churches				
As at 1 st January	4,271		3,673	
Additions	71		598	
Less disposals	-		-	
As at 31 st December	<u>4,342</u>		<u>4,271</u>	
Total properties held for unrestricted funds		12,208		12,137
Total land and buildings		<u>£33,836</u>		<u>£33,765</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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All of the properties in the balance sheet are freehold. Some properties have been purchased with the help of a value linked loan from the Church Commissioners; when disposed of, the appropriate share of the net sale proceeds will be remitted to the Commissioners, and the related loan liability thereby extinguished. The value of such properties included above amounts to £460,575 (2020 - £460,575). Of the total land and buildings at 31st December 2021, £17,377,275 is valued at cost (2020 - £17,377,275) and the remainder at valuation. Properties are subject to a five-year cycle of survey and consequent repairs are charged to the income and expenditure account. The Directors consider that depreciation of the buildings element of these properties is therefore not appropriate.

17. TANGIBLE FIXED ASSETS – REFURBISHMENT COSTS

	2021 £,000	2020 £,000
Cost as at 1 st January	142	142
Cost as at 31 st December	142	142
Provision for depreciation as at 1 st January	128	113
Depreciation charges in year	14	15
Provision for depreciation as at 31 st December	142	128
Net book value as at 31 st December	-	14

Refurbishment costs represent the ingoing works at the Diocesan Office in Stoke Gifford in 2012.

18. TANGIBLE FIXED ASSETS – OFFICE EQUIPMENT

	2021 £,000	2020 £,000
Cost as at 1 st January	159	159
Additions in the year	50	-
Less disposals	-	-
Cost as at 31 st December	209	159
Provision for depreciation as at 1 st January	157	154
Depreciation charges in year	19	3
Less disposals	-	-
Provision for depreciation as at 31 st December	176	157
Net book value as at 31 st December	33	33

The Bristol Diocesan Board of Finance Limited
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19. FIXED ASSET INVESTMENTS

	2021 £,000	2020 £,000
Valuation		
Listed Investments		
At 1 st January	35,493	30,394
Additions in the year	90	3,474
Disposals in the year	(55)	(998)
Unrealised investment (losses) / gains	4,924	2,623
	<hr/>	<hr/>
At 31 st December	40,452	35,493
	<hr/>	<hr/>
Investment Properties		
At 1 st January	3,401	3,345
Additions in the year	-	-
Disposals in the year	-	-
Unrealised investment gains / (losses)	270	56
	<hr/>	<hr/>
At 31 st December	3,671	3,401
	<hr/>	<hr/>
Total Fixed Asset Investments	£44,123	£38,894
	<hr/> <hr/>	<hr/> <hr/>

Listed Investments comprise:

	2021 £,000	2020 £,000
Endowment funds		
CBF Investment Fund shares	18,919	16,524
CBF Property Fund shares	1,219	1,049
CBF Fixed Interest Fund	2,177	1,905
	<hr/>	<hr/>
	22,315	19,478
Restricted funds		
CBF Investment Fund shares	3,415	2,988
CBF Global Equity Fund shares	3,097	2,666
CBF Fixed Interest Fund	717	768
CBF Property Fund	-	-
Managed portfolio	2,825	2,571
Rent charge	-	-
	<hr/>	<hr/>
	10,054	8,993
Unrestricted funds		
CBF Investment Fund shares	2,667	2,361
CBF Global Equity Fund shares	5,416	4,661
CBF Property Fund shares	-	-
	<hr/>	<hr/>
	8,083	7,022
	<hr/>	<hr/>
Total investments	£40,452	£35,493
	<hr/> <hr/>	<hr/> <hr/>

The historic cost of the investments held at 31st December 2021 was £13,952,000 (2020 - £13,902,000).

Investment Properties comprise:

	2021 £,000	2020 £,000
Glebe		
Agricultural Land	1,868	1,779
Non-agricultural Land	37	37
Property	475	294
Other Property	1,291	1,291
	<hr/>	<hr/>
	£3,671	£3,401
	<hr/> <hr/>	<hr/> <hr/>

The historical cost of the majority of investment properties is not known, but records are held of total additions of £7,000, of which £Nil were added in 2021 (£Nil – 2020).

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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20. DEBTORS – LOANS

	<i>2021 Due in one year £,000</i>	<i>2021 Due after one year £,000</i>	<i>2020 Due in one year £,000</i>	<i>2020 Due after one year £,000</i>
Parish buildings loans	1	5	2	6
PCC St John w St Andrew Park	-	14	-	14
PCC St Michael, Stoke Gifford	-	282	94	234
PCC Redland	-	100	25	100
PCC Castle Combe	-	12	12	15
PCC Downend	-	70	-	90
Clergy Society loans	-	-	3	3
Other loans (incl. cycle to work schemes)	-	-	1	-
	<u>1</u>	<u>483</u>	<u>137</u>	<u>462</u>
Total loans made by the DBF		£484		£599

21. DEBTORS – OTHER

	<i>2021 £,000</i>	<i>2020 £,000</i>
<i>All due within one year</i>		
Trade debtors	56	44
Prepayments	114	123
Debtors for parish share	44	41
Other debtors	570	366
	<u>£784</u>	<u>£574</u>
Total debtors	£784	£574

22. CASH AT BANK AND ON DEPOSIT

	<i>2021 £,000</i>	<i>2020 £,000</i>
Cash on hand and at bank	517	430
Central Board of Finance Deposit Funds	1,532	3,435
Funds held by investment managers	136	68
Diocesan Pastoral Account held by the Church Commissioners	5	5
Diocesan Stipends Fund capital account at CBF	-	-
Educational Foundations deposit and cash	1,270	1,199
Bristol Diocesan Clergy Charities deposit and cash	136	107
Fresh Expressions deposit and cash	20	15
	<u>£3,616</u>	<u>£5,259</u>
Total cash at bank and on deposit	£3,616	£5,259

23. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<i>2021 £,000</i>	<i>2020 £,000</i>
Trade creditors	197	170
Taxation and social security	27	19
Clergy Stipends Account	-	914
Bank loans	392	2,000
Other creditors	634	651
Loan repayments due after one year		
Diocesan Loan Scheme loans	-	-
Pension scheme liabilities		
Clergy pension scheme	209	364
Historic lay defined benefit scheme	62	62
	<u>1,521</u>	<u>4,180</u>
Total creditors falling due within one year	1,521	4,180

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24. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2021 £,000	2020 £,000
Other creditors	1,164	957
Loan repayments due after one year		
Diocesan Loan Scheme loans	373	461
Value linked loans	348	347
Bank loans	1,608	-
Other loans	-	-
Pension scheme liabilities		
Clergy pension scheme	-	99
Historic lay defined benefit scheme	172	299
Total creditors falling due after one year	3,665	2,163

The Church Commissioners' value linked loans for capital expenditure on clergy housing in parochial or diocesan ownership are of an equity nature. The appropriate equity share is repayable on the sale of the property concerned or when it ceases to be occupied by a member of the clergy or licensed lay worker, and interest is charged by the Commissioners at 4% per annum on the amount loaned initially, the rate rising annually by the increase in the Retail Prices Index. All value linked loans are currently due for repayment after 5 years.

25. ANALYSIS OF CHANGES IN NET DEBT

	<i>At 1st January</i> 2021 £,000	<i>Cash flows</i> £,000	<i>Other non-cash</i> <i>changes</i> £,000	<i>At 31st</i> <i>December 2021</i> £,000
Cash and cash equivalents				
Cash on deposit	4,829	(1,730)	-	3,099
Cash at bank and in hand	430	87	-	517
	5,259	(1,643)	-	3,616
Borrowings				
Debt due within one year	(4,180)	2,720	(61)	(1,521)
Debt due after one year	(2,163)	(1,608)	106	(3,665)
	(6,343)	1,112	45	(5,186)
Total	(1,084)	(531)	45	(1,570)

26. FINANCIAL INSTRUMENTS

	2021 £,000	2020 £,000
Financial assets measured at amortised cost comprise of:		
Trade debtors	56	44
Prepayments	114	123
Other debtors	570	366
Loans	484	599
	1,224	1,155
Financial liabilities measured at amortised cost comprise of:		
Trade creditors	197	170
Taxation and social security	27	19
Clergy Stipends Account	-	914
Other creditors	1,798	1,608
Loans	2,721	2,808
Pension scheme liabilities	443	824
	5,186	6,343

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27. SUMMARY OF FUND MOVEMENTS

	Balance at 1 st January	Income	Expenditure	Transfers	Gains and Losses	Balance at 31 st December
	£,000	£,000	£,000	£,000	£,000	£,000
ENDOWMENT FUNDS						
Diocesan Stipends Fund Capital	16,089	5	(243)	(128)	1,811	17,534
Parsonage Building Fund	23,051	336	-	(2,737)	700	21,350
Clergy Pensions Trust	24	-	-	-	3	27
Diocesan Mission Trust	275	-	-	-	39	314
Diocesan Education Committee Trust	19	-	-	-	3	22
Diocesan Offices endowment	312	-	-	-	45	357
Parsonages Fund	279	-	-	-	40	319
17 Oakfield Road, Clifton Trust	1,291	-	-	-	-	1,290
Schools Maintenance Fund capital	410	-	-	-	59	469
Younghusband legacy	241	-	-	-	34	275
Gummer legacy	141	-	-	-	20	161
Sir Francis Cowlin Trust	1,854	-	-	-	265	2,120
Bristol Diocese Clergy Holiday Trust	393	-	-	-	56	449
	<u>44,379</u>	<u>341</u>	<u>(243)</u>	<u>(2,865)</u>	<u>3,075</u>	<u>44,687</u>
RESTRICTED FUNDS						
Diocesan Stipends Fund Income	-	316	(33)	(283)	-	-
Meridian Hall Reserve	128	-	-	-	-	128
Urban Fund Reserve	5	-	0	-	-	5
Educational Foundations Capital	1,725	-	-	-	154	1,879
Educational Foundations Income	3,058	125	(216)	-	426	3,393
Schools Maintenance Income Funds	674	33	-	-	71	778
Clergy Society Capital Funds	837	-	-	-	130	967
Clergy Society Accumulated Income	226	29	(19)	-	18	254
Clergy Society Holiday Trust Income	78	13	-	-	9	100
Uganda	9	-	-	-	-	9
Uganda (Deanery)	8	-	-	-	-	8
St Michael on the Mount Without	33	-	-	-	-	33
SMR Clergy	5	-	(5)	-	-	-
Fresh Expressions	15	25	(20)	-	-	20
New Housing Areas Fund	-	-	-	-	-	-
Creative Arts	47	-	(7)	-	-	40
Release Fund	2	-	-	-	-	2
Global Partnership / Uganda Trips	(3)	-	-	-	-	(3)
Strategic Development Funding (SDF)	(14)	689	(771)	96	-	-
Bishop Monk's Horfield Trust Fund	2,612	8	(20)	-	211	2,811
Daventry Road Fund	189	-	-	-	-	189
	<u>9,634</u>	<u>1,238</u>	<u>(1,091)</u>	<u>(187)</u>	<u>1,019</u>	<u>10,613</u>
DESIGNATED FUNDS						
Dame Violet Wills Legacy	961	-	-	-	137	1,098
Pastoral Reserve	4,646	226	(29)	960	36	5,839
Diocesan Office Rental Fund – Capital	4,662	-	-	-	754	5,416
Diocesan Office Rental Fund – Income	56	130	(109)	-	-	77
Mission Fund	190	-	(20)	-	-	170
Growth Fund	24	-	-	-	-	24
<i>Other Specific Reserves</i>						
Tudor Cottage	(16)	-	-	-	-	(16)
DBE Hookmills Educational Foundation	-	-	-	-	-	-
	<u>10,523</u>	<u>356</u>	<u>(158)</u>	<u>960</u>	<u>927</u>	<u>12,608</u>
UNDESIGNATED FUNDS						
H Gummer Gifts	103	-	-	-	15	118
H H Wills Bequest	479	-	-	-	69	548
St Nicholas Hall Trust	512	-	-	-	73	585
General Reserve	7,958	7,443	(8,526)	2,092	7	8,974
Pension Reserve	(824)	-	310	-	71	(443)
	<u>8,228</u>	<u>7,443</u>	<u>(8,216)</u>	<u>2,092</u>	<u>235</u>	<u>9,782</u>
	<u>72,764</u>	<u>9,378</u>	<u>(9,708)</u>	<u>-</u>	<u>5,256</u>	<u>77,690</u>

During the year an exercise was undertaken to review the treatment of properties impacted by historic pastoral schemes. The exercise identified a number of properties that had not been moved to the appropriate funds in accordance with the scheme. Consequently, transfers were made totalling £3.12m to reallocate the funds as appropriate.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

28. SUMMARY OF ASSETS BY FUND

	Fixed assets £,000	Investments £,000	Current assets £,000	Creditors £,000	Net assets £,000
ENDOWMENT FUNDS					
Diocesan Stipends Fund Capital	3,080	14,454	-	-	17,534
Parsonage Building Fund	18,034	3,316	-	-	21,350
Clergy Pensions Trust	-	27	-	-	27
Diocesan Mission Trust	-	314	-	-	314
Diocesan Education Committee Trust	-	22	-	-	22
Diocesan Offices endowment	-	357	-	-	357
Parsonages Fund	-	319	-	-	319
17 Oakfield Road, Clifton Trust	-	1,290	-	-	1,290
Schools Maintenance Fund capital	-	469	-	-	469
Younghusband legacy	-	275	-	-	275
Gummer legacy	-	161	-	-	161
Sir Francis Cowlin Trust	-	2,120	-	-	2,120
Bristol Diocese Clergy Holiday Trust	-	449	-	-	449
	<u>21,114</u>	<u>23,573</u>	<u>-</u>	<u>-</u>	<u>44,687</u>
RESTRICTED FUNDS					
Diocesan Stipends Fund Income	-	-	-	-	-
Meridian Hall Reserve	128	-	-	-	128
Urban Fund Reserve	-	-	5	-	5
Educational Foundations Capital	-	1,540	566	(227)	1,879
Educational Foundations Income	-	3,947	587	(1,141)	3,393
Schools Maintenance Income Funds	-	568	210	-	778
Clergy Society Capital Funds	-	967	-	-	967
Clergy Society Accumulated Income	-	140	114	-	254
Clergy Society Holiday Trust Income	-	68	32	-	100
Uganda	-	-	9	-	9
Uganda (Deanery)	-	-	8	-	8
St Michael on the Mount Without	-	-	33	-	33
SMR Clergy	-	-	-	-	-
Fresh Expressions	-	-	20	-	20
New Housing Areas Fund	-	-	-	-	-
Creative Arts	-	-	40	-	40
Release Fund	-	-	2	-	2
Global Partnership / Uganda Trips	-	-	(3)	-	(3)
Strategic Development Funding (SDF)	-	-	-	-	-
Bishop Monk's Horfield Trust Fund	-	2,825	(14)	-	2,811
Daventry Road Fund	-	-	189	-	189
	<u>128</u>	<u>10,055</u>	<u>1,798</u>	<u>(1,368)</u>	<u>10,613</u>
DESIGNATED FUNDS					
Dame Violet Wills Legacy	1	1,097	-	-	1,098
Pastoral Reserve	4,349	1,389	101	-	5,839
Diocesan Office Rental Fund – Capital	-	5,416	-	-	5,416
Diocesan Office Rental Fund – Income	-	-	77	-	77
Mission Fund	-	-	170	-	170
Growth Fund	-	-	24	-	24
<i>Other Specific Reserves</i>					
Tudor Cottage	-	-	(16)	-	(16)
DBE Hookmills Educational Foundation	-	-	-	-	-
	<u>4,350</u>	<u>7,902</u>	<u>356</u>	<u>-</u>	<u>12,608</u>
UNDESIGNATED FUNDS					
H Gummer Gifts	-	118	-	-	118
H H Wills Bequest	-	548	-	-	548
St Nicholas Hall Trust	-	585	-	-	585
General Reserve	8,277	1,342	2,730	(3,375)	8,974
Pension Reserve	-	-	-	(443)	(443)
	<u>8,277</u>	<u>2,593</u>	<u>2,730</u>	<u>(3,818)</u>	<u>9,782</u>
	<u>33,869</u>	<u>44,123</u>	<u>4,884</u>	<u>(5,186)</u>	<u>77,690</u>

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29. DESCRIPTION OF FUNDS

ENDOWMENT FUNDS

(a) **Diocesan Stipends Fund Capital**

This fund represents the value of glebe property and investments at the balance sheet date. The account is governed by the Diocesan Stipends Funds Measure 1953 as amended by the Endowments and Glebe Measure 1976, the National Institutions Measure 1998, and the Miscellaneous Provisions Measure 1992. It represents the accumulated sale proceeds of glebe property, sale proceeds of parsonage houses and surplus benefice endowments following pastoral reorganisation. The main function of the fund is to produce income for stipends, but it may also be used for other purposes including: acquiring glebe property, developing and protecting glebe amenities, discharging loans and levies on glebe, improving parsonage houses and discharging any loans made by the Church Commissioners under the Endowments and Glebe Measure 1976. The funds may be invested in any investments fund or deposit fund constituted under the Church Funds Investment Measure 1958 or in any investments in which the trustees may invest under the general power of investment in section 3 of the Trustee Act 2000.

(b) **Parsonage Building Fund**

Parsonage building funds represent resources restricted to provision of benefice houses in the Diocese. They are represented by the benefice houses or by sale proceeds of former benefice houses held on suspense by the Church Commissioners. Although benefice houses are vested in incumbents for the time being of the benefices concerned, the DBF is obliged to maintain them, to ensure that there are sufficient houses for the pastoral structure of the Diocese, and receives the sale proceeds of benefice houses surplus to requirements into its pastoral reserve.

(c) **Other permanent endowments**

Fund	Income purpose
Clergy Pensions Trust	To defray the cost of clergy pensions
Diocesan Mission Trust	Towards social responsibility work in the Diocese
Diocesan Education Committee Trust	Towards the work of the Board of Education
Diocesan Offices endowment	Towards the maintenance of Diocesan Offices
Parsonages Fund	Towards the maintenance of parsonage houses in the Diocese
17 Oakfield Road, Clifton Trust	Towards the augmentation of stipends and general ecclesiastical purposes in the parish of Christ Church, Clifton
Schools Maintenance Fund capital	Maintenance of CE voluntary aided schools in the Diocese
Younghusband legacy	Towards the augmentation of stipends
Gummer legacy	Towards the augmentation of stipends
Sir Francis Cowlin Trust	For the general purposes of the Bristol Diocesan Board of Finance
Bristol Diocese Clergy Holiday Trust	To assist with the holiday expenses of clergy

RESTRICTED FUNDS

(a) **Diocesan Stipends Fund Income**

Subject to any charges imposed by scheme or order the fund shall be applied to: provide or augment stipends of incumbents, assistant curates and others engaged in the cure of souls in the Diocese; meet expenses incurred in making improvements to parsonage houses; pay class 1 National Insurance contributions in respect of ministers not employed under a contract of service; defray sequestrators' expenses.

(b) **Meridian Hall Reserve**

This reserve represents the properties known collectively as Meridian Hall which are held on trust for use as a hostel for overseas students.

(c) **Urban Fund Reserve**

This reserve was originally created by the receipt of donations for funding projects in urban areas of the Diocese, such as the projects originally supported by the Bishop of Bristol's Urban Fund and was augmented in 1995 by a donation of the residual funds of the Bishop of Bristol's Urban Fund. The reserve is held as cash on deposit.

(d) **Educational Foundations Capital Funds**

These funds result from the sale of redundant Church of England voluntary aided school property as directed by a Scheme under section 86(1) of the Education Act 1944, and subsequent orders made under section 2 of the Education Act 1973. They may be used for the provision, improvement or enlargement of Church of England voluntary aided schools in the Diocese of Bristol, and in the payment of any expenses incurred in the administration of the various foundations. In 2013, the constitution of these funds was amended to widen its scope to include academies and other Church of England schools in the Diocese.

(e) **Educational Foundations Income Funds**

These funds result from accumulations of income arising from Educational Foundations capital funds. They may be used for the same purposes as the capital funds above.

(f) **Schools Maintenance Income Funds**

These funds result from accumulations of income arising from the permanent endowment designated for maintenance of Church of England voluntary aided schools in the Diocese.

The Bristol Diocesan Board of Finance Limited
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(g) **Clergy Society Capital Funds**

These funds form the capital of the Bristol (Diocesan) Clergy Society and the Bristol Diocesan Sustentation Trust, both of which funds are part of the Bristol Diocesan Clergy Charities. They may be used for relieving diocesan clergy and their dependants who are in conditions of need, hardship or distress; and in advancing the education of children of diocesan clergy. The funds were substantially augmented in 2009, by the sale of a house, purchased in 1976 to provide accommodation for a retired clergyman, and no longer needed.

(h) **Clergy Society Accumulated Income Funds**

These funds result from accumulations of income arising from the Clergy Society capital funds. They may be used for the same purposes as the capital funds above.

(i) **Clergy Society Holiday Trust Accumulated Income Funds**

This trust originates in a gift of the late Horace Gummer in 1923, and its object is to assist with the holiday expenses of clergy, with preference being given to diocesan clergy; and, if the income cannot be applied as above, to relieve diocesan clergy and their dependants who are in conditions of need, hardship or distress.

(j) **Uganda Funds**

These funds are from a legacy, received in 2015, to be used to provide scholarship funds for theological or ordination training in Uganda for those who are engaged in or preparing for service in the ministry ordained or lay of the Church of Uganda with special consideration being given to candidates from the Dioceses of Bukei, Mbale or North Mbale.

(k) **Uganda (Deanery) Funds**

These funds are held on behalf of a number of deaneries in the Diocese to support their links with the Anglican church in Uganda.

(l) **St Michael on the Mount Without**

These funds remain from those distributed to the DBF in 2007, when the Diocese took responsibility for the church.

(m) **SMR Clergy**

These funds help to defray the cost of the associate clergy at St Mary Redcliffe.

(n) **Fresh Expressions**

The Crossnet Network Church was established in 2004. It meets in a non-church setting and draws its members from a wide area. The finances of this entities are separately maintained; however, at present they have no formal status and are therefore aggregated into these accounts.

(o) **New Housing Areas Fund**

In 2010, the Diocese was awarded a grant of £500,000 from the Church Commissioners to provide ministry in new housing areas throughout the Diocese. During the early part of the year, these funds have been used to pay for a home / school link worker in Patchway, North Bristol.

(p) **Release Fund**

Release is a leadership development programme that realises the potential of leaders – it releases their energy. The programme has been made possible by the receipt of funding from an anonymous donor.

(q) **Creative Arts Fund**

This fund was established by a generous donation in 2018, with the aim of creating a fund to support and invest in engagement with the creative arts by Anglican Churches in the Diocese of Bristol.

(r) **Global Partnership / Uganda Trips Fund**

This fund represents amounts collected and disbursed in relation to trips by parishes in the Diocese to linked churches in Uganda, and other related activities.

(s) **Strategic Development Funding**

This fund represent grants awarded by the Archbishops' Council, and associated expenditure, in relation the Diocese's strategic initiatives of establishing three Mission Areas in Avonside, Yate & Fromeside and North Wiltshire and two Resourcing churches at St Nicholas, Bristol and the Pattern Church in Swindon. This fund also includes strategic capacity funding awarded to the DBF to support these strategic initiatives.

(t) **Bishop Monk's Horfield Trust Fund**

This fund was established in 2020, following the winding-up of the Bishop Monk's Horfield Trust.

(u) **Daventry Road Fund**

This fund was established in 2020, following the determination of the proceeds of a property held in trust.

The Bristol Diocesan Board of Finance Limited
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UNRESTRICTED FUNDS

(a) **Dame Violet Wills Legacy Fund**

This fund results from a general legacy to the DBF by the late Dame Violet Wills. The DBF has designated the fund's future use for children's and youth work, and the income arising from the capital sum is used for this purpose. The funds are invested principally in the CBF Investment Fund.

(b) **Pastoral Reserve**

The pastoral reserve results from past accumulations of general fund income, transfers and sales of property for the DBF's general use which the DBF has designated as a general building fund. It incorporates the Diocesan Pastoral Account which is governed by the Mission and Pastoral Measure 2011.

(c) **Diocesan Office Rental Fund – Capital**

This fund is used to produce income to pay the rental of the Diocesan Office in Stoke Gifford.

(d) **Diocesan Office Rental Fund – Income**

This is accumulated income from the capital investment. The rent-free period at the start of the lease has been spread for accounting purposes over the first 10 years of the lease.

(e) **Mission Fund**

This reserve represents allocations received from the Church Commissioners since 2002 under the Parish Ministry and Mission scheme. This money is allocated by the DBF to mission initiatives.

(k) **Growth Fund**

This reserve was also set aside from the General Fund surplus for 2005 and is being used to give grants to parishes, who wish to undertake new mission initiatives, but do not have sufficient funds to do so. Grants are being given over a limited period towards the employment costs of new positions, which can be shown to contribute to new mission initiatives within the parish.

(l) **Other Specific Reserves**

A small number of reserves have been established for specific purposes, these include two small funds in respect of Tudor Cottage and the DBE Hookmills Educational Foundations.

(m) **General Reserve**

The general reserve represents accumulations from past general fund surpluses. The reserves policy for this fund is described in the Directors' Report.

(n) **Pension Reserve**

The pension reserve is the amount needed to make good the deficits that have arisen between the present value of the funds invested and the estimated liability in respect of two defined benefit schemes. The two schemes in question are the Church of England Funded Pension Scheme for stipendiary clergy and the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme, for lay staff, which is closed to new members. Full details are given at note 35 and recovery plans are in place to eliminate the respective deficits.

30. CAPITAL COMMITMENTS

At 31st December 2021, the DBF had authorised capital expenditure not contracted for of £196k (2020 - £Nil). Commitments under contracts not yet completed and not accrued in the accounts amounted to £Nil (2020 - £Nil).

31. OTHER COMMITMENTS

During the year the Charity agreed to underwrite the obligations of the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme as they fall due to the extent that they exceed the funds assets. Further details of the current position of the pension scheme can be found in note 35.

32. CONTINGENT LIABILITIES

At 31st December 2021, the DBF had no contingent liabilities (2020 – none).

33. OPERATING LEASES

The following total amounts due under operating leases are as follows:

	2021	2021	2020	2020
	£,000	£,000	£,000	£,000
	<i>Land & Buildings</i>	<i>Other</i>	<i>Land & Buildings</i>	<i>Other</i>
Operating leases				
Within one year	119	-	109	-
Within two to five years	475	-	27	-
After five years	30	-	-	-

The lease payments expensed during the year was £108,955 (2020 - £108,955).

34. POST BALANCE SHEET EVENTS

There were no post balance sheet events at the balance sheet date.

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35. PENSIONS

Clergy pension scheme

The DBF participates in the Church of England Funded Pension Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the DBF and other Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2021: £224,000, 2020: £364,000), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £254,000 for 2021 (2020: £296,000).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31st December 2021. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2%;
- RPI inflation of 3.4% pa (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% pa; and
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31st December 2018 valuation, a recovery plan was put in place until 31st December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31st December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31st December 2019 and 31st December 2020, the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2020 and over 2021 is set out in the table below.

	2021	2020
Balance sheet liability at 1 st January	463,000	759,000
Deficit contribution paid	-224,000	-364,000
Interest cost (recognised in SoFA)	1,000	6,000
Remaining change to the balance sheet liability* (recognised in SoFA)	(31,000)	62,000
Balance sheet liability at 31 st December	209,000	463,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

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This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2021	December 2020	December 2019
Discount rate	0.0% pa	0.2% pa	1.1% pa
Price inflation	n/a	3.1% pa	2.8% pa
Increase to total pensionable payroll	1.5% pa	1.6% pa	1.3% pa

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

Defined Benefit Scheme

Bristol Diocesan Board of Finance (the 'Employer') operates a defined benefit pension arrangement called the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme (the 'Scheme'). The Scheme provides benefits based on final salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined contribution schemes operated by the Employer.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Employer must agree with the Trustees of the Scheme the contributions to be paid to meet the Statutory Funding Objective.

The most recent comprehensive actuarial valuation of the Scheme as at 31st March 2020 is currently in progress and is due to be completed no later than 30th June 2021. As part of this valuation, a new Schedule of Contributions will be agreed with the Employer which could require higher or lower contributions to be paid than under the existing Schedule of Contributions. The next valuation of the Scheme is due as at 31st March 2023.

Under the existing Schedule of Contributions, the Employer expects to pay contributions of £83,400 in the year to 31st December 2021.

There were no plan amendments, curtailments or settlements during the period.

Profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is around 18 years.

Disclosures

Figures for disclosure in accounts for period ending 31st December 2020 under FRS102. Results are shown in pounds, rounded to the nearest £1,000.

Principal actuarial assumptions

The principal assumptions used to calculate the Scheme's liabilities include:

	2021	2020
Discount rate	1.90% pa	1.20% pa
Inflation assumption (RPI)	3.50% pa	3.10% pa
Inflation assumption (CPI)	2.50% pa	2.10% pa
Pension increase (RPI max 5% (LPI) pension increases)	3.30% pa	3.00% pa
Pension increase (Revaluation in deferment (CPI))	2.50% pa	2.10% pa
Post retirement mortality	95% of S2PA with CMI 2019 projection and a long-term improvement of 1.50% pa	95% of S2PA with CMI 2019 projection and a long-term improvement of 1.50% pa
Commutation	No allowance has been made for members to take tax free cash	No allowance has been made for members to take tax free cash

Assets

The Scheme's assets are invested in One Family's Pension Accumulation Fund (99%), together with a small with-profit deferred annuity policy (1%).

The assets do not include any investments in shares or property of the Employer.

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Balance Sheet at 31st December 2021

	2021	2020
	£,000	£,000
Fair value of assets	442	375
Present value of funded obligations	(676)	(736)
Net defined benefit liability at 31st December 2021	(234)	(361)

Amounts recognised in the Statement of Financial Activity over the year

	2021	2020
	£,000	£,000
Current service costs	-	-
Administration costs	23	22
Interest on liabilities	9	14
Interest on assets	(5)	(7)
Past service cost	-	-
Settlement cost	-	-
Total	27	29

Remeasurements over the year

	2021	2020
	£,000	£,000
Loss / (gain) on scheme assets in excess of interest	(3)	8
Experience losses / (gains) on liabilities	-	(28)
Losses / (gains) from changes to demographic assumptions	-	(16)
Losses / (gains) from changes to financial assumptions	(68)	95
Total remeasurements	(71)	59

The change in the assets over the period was:

	2021	2020
	£,000	£,000
Fair value of assets at the beginning of the period	375	320
Interest on assets	5	7
Employer contributions	83	83
Contributions by Scheme participants	-	-
Benefits paid	(1)	(5)
Administration Costs	(23)	(22)
Change due to settlements	-	-
Return on plan assets less interest	3	(8)
Fair value of assets at the end of the period	442	375
Actual return on assets*	8	6

*Calculated using unrounded figures

The change in the Defined Benefit Obligations over the period was:

	2021	2020
	£,000	£,000
Defined Benefit Obligations at the beginning of the period	736	676
Current service cost	-	-
Contributions by Scheme participants	-	-
Past service cost	-	-
Interest cost	9	14
Benefits paid	(1)	(5)
Change due to settlements	-	-
Experience (gain) / loss on defined benefit obligations	-	(28)
Changes to demographic assumptions	-	(16)
Changes to financial assumptions	(68)	95
Defined Benefit Obligations at the end of the period	676	736

The Bristol Diocesan Board of Finance Limited
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for the year ended 31st December 2021

Defined Contribution Scheme

The DBF operates a group personal pension plan (GPPP) for all new and existing employees of the Bristol Diocesan Board of Finance Ltd. As part of this scheme, the DBF contracts to pay specific contributions to an individual employee's pension fund, based on a percentage of their salary. The amount the employee will receive in the future as a pension will depend on the investment performance of the particular funds assets. The DBF has no other ongoing liability and the costs of providing the GPPP are charged to staff costs in the financial statements as the contributions payable. The total cost for the period was £132,740 (2020 - £122,643) and outstanding contributions as at 31st December 2021 amounted to £16,281 (2020 - £30,080).

36. PRIOR YEAR COMPARATIVE SOFA

	Unrestricted Funds		Restricted	Endowment	Total funds
	General	Designated	Funds	Funds	2020
	£,000	£,000	£,000	£,000	£,000
Income and endowments from					
Donations					
Parish Share contributions	5,159	-	-	-	5,159
National Church institutions	778	-	785	-	1,563
Other donations	763	-	2,736	-	3,499
Charitable activities	238	-	-	-	238
Other activities	346	-	4	-	350
Investments	365	167	506	-	1,038
Gains on sale of assets	943	-	189	992	2,124
Total income	8,592	167	4,220	992	13,971
Expenditure on					
Raising funds					
Charitable activities	114	2	15	-	131
Other	8,286	118	1,132	231	9,767
	(344)	10	0	-	(334)
Total expenditure	8,056	130	1,147	231	9,564
Net income / (expenditure) before other gains					
	536	37	3,073	761	4,407
Net gains on investments	127	870	700	982	2,679
Net income	663	907	3,773	1,743	7,086
Transfer between funds					
	293	197	(490)	-	-
Actuarial gains / (losses) on pension schemes	(59)	-	-	-	(59)
Net movement in funds	897	1,104	3,283	1,743	7,027
Total funds as at 1st January 2020	7,331	9,419	6,351	42,636	65,737
Total funds as at 31st December 2020	8,228	10,523	9,634	44,379	72,764

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2021

37. RELATED PARTY TRANSACTIONS

The **Foundation of Saint Matthias** (registered charity number 311696) is administered from the DBF's registered office by its Clerk to the Trustees, who is an employee of the DBF and the DBF also provides accounting services. The Foundation made a contribution to these services of £31,525 in 2021 (2020 - £31,001). The Foundation made a grant to the DBF in 2021 of £50,000 towards the work of the Adviser to schools and education work in the Diocese (2020 - £50,000). A further grant of £6,000 (2020 - £6,000) was made and will be used in future years to fund Further Education work.

The **Diocese of Bristol Academies Company** (DoBAC) and The **Diocese of Bristol Academies Trust** (DBAT) are separate legal entities from the DBF. From October 2020, DBAT ceased to be administered from the DBF's registered office and paid a contribution of £nil (2020 - £30,841) towards office space during 2021. In addition, it paid £7,500 towards other services (2020 - £7,675) and at 31st December 2021, £3,586 was owed to the DBF by DBAT (2020 - £2,191). During the year the DBF rented rooms from DBAT for a Synod meeting at a cost of £600 (2020 - £nil).

Trinity College (Bristol) Ltd is a theological education institution (TEI) that trains a number of ordinands sponsored by the Diocese of Bristol. It employs one of the DBF's directors. In 2021, the DBF paid Trinity College (Bristol) Ltd the sum of £143,421 for ordinand training and other related services (2020 - £174,031). Trinity College (Bristol) Ltd also paid the sum of £5,065 (2020 - £2,872) to the DBF in respect of clergy seconded as a tutor to the college.

The Dean of **Bristol Cathedral** is one of the DBF's directors. In 2021, the DBF paid Bristol Cathedral the sum of £2,000 for a Creative Arts grant. In addition, Bristol Cathedral reimbursed £1,029 to the DBF in respect of DBS checks, C-Me profiles and the cost of placing a recruitment advertisement (2020 - £166). As at 31st December 2021, £235 was owed to the DBF by Bristol Cathedral (2020 - £132).

In February 1998, the Charity Commissioners issued a scheme making the DBF Trustee of the charity known as the Bristol Diocesan Clergy Charities, number 3127160. The accounts of the Bristol Diocesan Clergy Charities have been aggregated into these financial statements.

The total parish share income from parishes with shared trustees amounts to £264,580.

One trustee made a donation of £5,000 towards the Pattern Church project.

38. FUNDS HELD AS CUSTODIAN TRUSTEE

By virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners' schemes, the DBF is the Diocesan authority over certain assets held on permanent trusts, where the managing Trustees are parochial church councils or others. In doing so the DBF further's its charitable objects to promote and assist the work and purposes of the Church of England in the Diocese of Bristol.

These assets have not been consolidated in these financial statements, since the DBF does not control them.

Separate financial statements have been prepared to account for the DBF's stewardship of these assets, and full trust accounts for each trust are the responsibility of the managing Trustees in each case. The number of trusts whose assets are held as custodian trustee are too numerous for individual disclosure, copies of the separate financial statements and details are available from the Secretary at the Registered Office of the DBF.

The financial assets held in this way can be summarised as follows:

	2021	2020
	£,000	£,000
Capital Assets		
Equities	21	21
Other fixed-interest securities	-	-
Unit trust shares	14,649	12,785
CBF Deposit Fund	1,096	1,258
Virgin Money Charity Deposits	34	154
Trust capital loans	77	83
Cash at bank	16	1
Income Assets		
Unit trust shares	343	290
CBF Deposit Fund	489	494
COIF Deposit Fund	46	46
Virgin Money Charity Deposits	1	9
Debtors	-	-
Creditors	(9)	(3)
Cash at bank	5	3
	16,768	15,144

THE BRISTOL DIOCESAN BOARD OF FINANCE LIMITED

England & Wales - Charity number 248502


Accounts



Diocese of Bristol

The Bristol Diocesan Board of Finance Limited Annual Report & Financial Statements for the year ended 31st December 2020

Registered Office: Hillside House, 1500 Parkway North, Stoke Gifford, Bristol BS34 8YU

0117 906 0100 | www.bristol.anglican.org | 

The Bristol Diocesan Board of Finance Limited | Reg. in England: Charity 248502, Company 156243

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The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2020

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 31st December 2020.

The Trustees and Directors are one and the same and in signing as Trustees they are also signing the Strategic Report sections in their capacity as Directors.

This combined report satisfies the legal requirements for:

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

The Financial Statements have been prepared in accordance with statutory requirements prevailing at 31st December 2020, with the requirements of the Charity's governing document, its Memorandum and Articles of Association, and with the Charities Statement of Recommended Practice (FRS102). Where possible, the guidance issued in the Diocesan Annual Report and Financial Statements Guide by the Diocesan Secretaries' Liaison Group has been followed.

LEGAL OBJECTS

The primary objective of the Bristol Diocesan Board of Finance ("the DBF") is to promote and assist the work and purposes of the Church of England in the Diocese of Bristol.

The DBF has the following statutory responsibilities:

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

STRATEGIC AIMS

Throughout the Diocese of Bristol, the Church of England is making a significant difference to Christian witness in our communities through its ministers, parishes and church schools. The vision of the Diocese of Bristol is "Creating connections: connecting with God, connecting with each other and connecting with our communities".

Since 2016, the Diocese of Bristol has collectively pursued the priorities of making disciples, growing leaders and engaging younger generations. These have been agreed to focus parish and diocesan plans and activity.

In the same year, the Diocesan Synod adopted a Strategic Plan for 2016-20. This has three objectives – resourcing and multiplying effective mission; optimising ministry and leadership; enhancing financial resources; and several quantitative goals that reflect the objectives and priorities.

These are supported by six strategic initiatives, a small number of choices that focus on priorities and achieve goals. A visual summary of the Strategic Plan is given on page 5.

The diocesan contribution to the vision and priorities is led by the Bishop of Bristol and her Staff Team and expressed through the work of the DBF and the Diocesan Support Services under the oversight of its Board of Directors.

The DBF takes a lead in:

- Expressing the vision of the Diocese through its leadership and communicating ways in which that vision is being embodied throughout the Diocese;
- Strengthening relationships throughout the Diocese by connecting people, parishes and schools, sharing good practice and resources;
- Empowering people by recruiting, developing and deploying ministers, leaders and staff in parishes, chaplaincies, schools and the Diocesan Support Services;
- Maximising resources by stewarding the income, expenditure and assets of the DBF effectively; and
- Developing structures to support this work including those for governance, communication and management.

OBJECTIVES FOR THE YEAR

In supporting the Strategic Plan for 2016-20, the following objectives were set for the year ended 31st December 2020.

- a) Take action in relation to the Diocese's declaration of Climate Emergency;
- b) Conclude and review the outcomes and impact of the 2016-20 Strategic Plan;
- c) Develop vision, values and strategy for the 2020s; and
- d) Respond to the immediate effects of the COVID-19 crisis and review all plans and activity in the light of its long-term impact on society and the Church's role in it.

The Directors believe that all the above shows that the DBF delivers public benefit by working with ministers, parishes and schools to be a Christian witness at the centre of their communities.

ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

Achievements against objectives

Respond to the COVID-19 crisis

The DBF's activities, plans and achievements in 2020 were significantly impacted by the COVID-19 pandemic, the imposition of government restrictions and the ongoing uncertainty that resulted. Many plans and activities were reassessed or suspended for the time being in order to address the immediate challenges and impact of the pandemic.

Throughout the Diocese, church communities, church schools and chaplaincies responded to the COVID-19 pandemic, the suspension of public worship and limitation on church activities by sustaining the social impact, worshipping life and Christian witness of the Church in a wide variety of innovative and sacrificial ways. It must be recognised that, through the whole period, ordained and lay church leadership, staff, chaplains and members were responding and experiencing the impact of the pandemic in their own lives, with many Anglican Christians working on the front line.

Churches were a major contributor to the national volunteering effort in the face of the crisis, both through supporting individual and wider community efforts and through the provision of foodbank and distribution services, debt advice and other services. In some cases, this extended existing provision, in others, churches responded by setting up new support. A huge amount of pastoral care was provided by clergy and lay people as people suffered loss and bereavement in exceptional circumstances.

Worship was adapted rapidly, creatively and in different ways according to context in the first lockdown. These were developed further through the year to take account of the lockdown in November and mixed-mode (e.g. at home and in person) worship. This has involved exceptional effort and adaptability by all involved. Research shows that many people report that they have re-engaged with Christian worship in the period. This has been offset by reports of loss of connection with other people who have not engaged in new ways and, as yet, not returned in person. A high level of care, thought and effort went into enabling churches to re-open in COVID-secure ways to enable first private prayer and then public worship, when permitted. Through 2021, churches will continue to adapt their worship to reflect the mix of at home and in person worship.

The increase of online activity extended to other forms of Christian discipleship and witness. Online courses and groups, evangelistic video and social media content was developed and has become a normative part of the Church's life and witness. In particular, resources for "faith at home", including for young people, were developed and used. Churches adapted their systems and ways of conducting business to be done remotely and more digitally. Churches that had not already done so adapted their mechanisms for giving and raising income. In some cases, this offset the impact of loss of income from rental, trading and fundraising events.

The Diocesan Support Services supported all these changes through the provision of advice, resources and sharing of best practice to ministers, churches and schools and managing the central function of the DBF. Weekly updates were provided via the Archdeacons and a range of online gatherings and training was provided to sustain support and maintain connection. The vast majority of staff worked remotely from mid-March 2020. Up to a third of employees were fully or part-furloughed, predominantly between May and August. Staffing levels of central, paid DBF employees averaged at 32 full-time equivalents (2019: 32).

Climate Emergency

At its Diocesan Synod in November 2019, the Diocese of Bristol became the first diocese in the Church of England to declare a 'climate emergency' and commit to reach net zero carbon emissions by 2030.

This declaration is supported by a Diocesan Environment and Climate Justice Policy that made the seven commitments and marked the start of a journey towards the Diocese becoming carbon net zero by 2030. The Church of England General Synod followed this commitment to a net zero by 2030 target, when it also declared a climate emergency at its February 2020 meeting.

In 2020, there are a lot of different examples of how the Diocese of Bristol has responded to the seven commitments, including:

- Parishes and the Diocese receiving EcoChurch and EcoDiocese awards – a scheme for churches who want to demonstrate that the gospel is good news for God's earth, led by A Rocha UK.
- Action led by the Diocesan Environment Working Group, which included engaging with parishes, clergy and schools, establishing an Environmental Advisory Group; recruiting a Sustainability Adviser to the DAC and engaging with our investment managers.
- Environmental focus points throughout 2020, including an environment-focused Lent campaign (#LiveLent: Saying Yes to Life); the Season of Creation in September and the Church Action in a Climate Emergency Conference.
- Establishing the baseline for our carbon footprint and then developing our approach to achieving our net zero target commitment .

The 2016-20 Strategic Plan

2020 represented the final year of the Diocesan Strategic Plan that included six strategic initiatives for the period to support Creating connections and the priorities of making disciples, growing leaders and engaging younger generations.

A review of the implementation and impact of the Strategic Plan took place in 2020, recognising that measurable outcomes for 2020 would, in most cases, not be comparable owing to the COVID-19 pandemic. This review was reported to and discussed by the Diocesan Synod in November 2020 and informs *Transforming Church. Together* (see Future plans, page 10).

The review is available on the [Diocese of Bristol website](#).

A summary of the Strategic Plan and review outcomes is given below.



STRATEGIC PLAN 2016-20

VISION Our vision as a diocese is: <i>Creating connections – with God, each other, our communities</i>				
PRIORITIES <i>Making disciples</i> <i>Growing leaders</i> <i>Engaging younger generations</i>				
EXPECTATIONS				
 Increase weekly attendance by 1,800 people	 300 more baptisms and confirmations a year	 One in two church members part of a discipleship group	 Grow number of children in church schools	
 Increase number of ordinands by 50%	 A third more clergy taking part in leadership development	 Giving to parishes increasing by £1.4 million	 Parish Share increasing by £1 million	 Total diocesan income increasing by £1.6 million
WE WILL ACHIEVE THIS AT DIOCESAN LEVEL BY:				
Resourcing and multiplying effective mission	Optimising ministry and leadership	Enhancing financial resources		
FOCUSING ON THESE STRATEGIC CHOICES:				
Helping parishes make disciples, grow leaders and engage younger generations by spreading six key practices.	Growing Christian influence and the number of children in church schools by strengthening the Diocese of Bristol Academies Trust.	Sharing and renewing mission and ministry by establishing mission areas around the Diocese.		
Growing new leaders by resourcing recruitment and development programmes.	Increasing financial resources available for mission by supporting parishes and establishing the new approach to Parish Share.	Investing in strategic initiatives by realising surplus assets.		

1. 'Making disciples in your parish'

A survey was carried out in 2020 to see how parishes engaged with the aspects of 'Creating connections' and in particular the 'Making disciples in your parish' initiative which supported six key practices (e.g. prayer, small groups, family-friendly expressions of church, culture of invitation). This data therefore relates to the 2016 to 2019 and therefore the situation prior to the COVID-19 pandemic.

60% of parishes increased the number of key practices with which they engaged actively over the four-year period. All of the indicators saw growth and most met or exceeded the expected outcomes. Although a simpler initiative launched at the outset, clearly aligned with the 'Making disciples' priority might have increased ownership, the focus, effort and resource put into this area and where it aligned with national Church of England resources (Messy Church, Thy Kingdom Come) proved particularly effective.

2. Growing vocations

In line with the Church of England's goal, the Diocese of Bristol committed to increase the levels of vocation to ordained ministry by 50%. It also wanted to increase the diversity of those pursuing a vocation to ordained ministry, in terms of ethnicity, age and social background.

	Baseline	Target (50% increase)	Actual (ave) 2016-20	Actual (ave) 2017-20	Years not achieved
Total Number of Ordinands	7.33	11	12.75	13.75	2016
Incumbent Status (IS) Ordinands	5.33	8	8.4	9.25	2016
Young (<32) Vocations	1.66	2.5	2	2	2016, 2017, 2019, 2020
BAME candidates	0	1	1.4	1.75	2016, 2020

From 2017 onwards, most goals have been met or exceeded each year, including 20% of Incumbent Status Ordinands coming from a BAME background. The discernment process normally takes one to two years and it is therefore perhaps not surprising that the 2016 outcomes were in fact below the baseline. Further work is underway to ensure Young Vocations increase.

Placing vocations clearly within the strategic vision of the Diocese, as part of a national goal and campaign and resourced adequately has enabled a good deal of attention to the area, which has in turn been a major source of this growth.

3. Mission Areas and Resourcing Churches

The Mission Areas and Resourcing churches initiative was developed to focus some ministry resources in intentionally missional ways that connected churches in order to be fruitful not only in that context but for the wider Diocese. Three Mission Areas were launched between 2017 and 2019 and two Resourcing churches were established in late 2018. Three applications were successfully made to the Church of England's Strategic Development Fund for this initiative.

There is evidence of notable culture change in Mission Areas with increasing: alignment of parish and mission area strategies; focus on outreach and mission; sharing of resources; and trusting, supportive relationships amongst clergy, regardless of churchmanship. Overall attendance in the Mission Areas has increased by 5% and compares to a diocesan average of 7% decline. The annual review shows a strong resilience and level of partnership in the Mission Areas coming to the fore in response to COVID-19.

Both Resourcing churches are meeting their attendance targets numerically and in terms of proportion of under 30s/40s. St Nicholas has met and Pattern Church exceeded targets related to small group participation, giving regularly and serving on team. During COVID-19, both have reported significant growth in new members and high attendance at online Alpha courses. Effective engagement with social action has also increased in 2020 with both churches increasing activity and impact through the Love your neighbour campaign.

4. Church schools and education

This initiative responded to the government's drive for academisation and seeking to maintain and grow the Church of England's contribution to distinctively Christian education. As a result, the Strategic Plan determined to maintain a strong link with the Diocese of Bristol Academies Trust (DBAT).

Over the period, DBAT has been awarded the opportunity to open four new schools in Swindon. Two have opened, including the secondary Deanery CE Academy, and two will open in the coming years. SIAMS inspections focus on the impact of a Church school's Christian vision on pupils and adults. All DBAT's schools that have been inspected are Good or Outstanding except one which was inspected prior to academisation.

Relationship with Cathedral Schools Trust (CST) developed to include strong diocesan representation with the Diocesan Bishop and the Dean as members. Cathedral Primary School, part of CST, has now become CE designated (i.e. a church school). As a result of the growth in the two multi-academy trusts, there will be over 2,500 new church school places in the period.

5. Encouraging generosity and Parish Share

By adopting a new approach to Parish Share in 2016 and providing additional support to parishes for stewardship, the Strategic Plan aimed to increase Parish Share by £1m (from £5.2m to £6.2m) and parish income resulting from giving by £1.4 million (from £9.4 million to £10.8 million).

For 2020, the Parish Share commitments made amounted to £5.5 million and so the £6.2m goal would have been missed by £0.7m. The impact of COVID-19 pandemic widened that gap further by a further £0.35m, resulting in gifts of £5.15m. Relative to other dioceses, however, the impact of COVID-19 on Parish Share was low, reflecting a comparative resilience to Bristol's Parish Share, despite failing to achieve its goals by a large sum.

The primary investment in the "encouraging generosity" priority was the appointment of Giving and Resources Adviser posts and membership of the Parish Giving Scheme (PGS) in 2017. 72 parishes (44%) are now registered with the PGS (2020 target is 50%). Currently, 1,307 donors are registered, the average monthly gift is £110 and the amount remitted is broadly on target.

According to the 2019 data on parish income, parish income from giving has grown by £2.04m between 2015 and 2019, exceeding the goal set by £0.6m. While it is difficult to prove a precise causal link with the upward trend in parish income, the dedicated support given to parishes on such topics as stewardship, contactless giving, legacies, grant applications, as well as the PGS, is likely to have made a positive contribution.

However, the increase in parish giving income did not translate into increases in Parish Share. A review of the approach to Parish Share and the financial model of the Diocese form part of *Transforming Church. Together*.

6. Financial plan and asset management

In order to invest in new initiatives without drawing on existing reserves or income, this initiative focused on maximising the DBF's balance sheet through disposing of land or property no longer required for functional purposes, redeploying it to housing for additional clergy, the development of Resourcing churches and reinvesting in equities for investment income.

Between 2016-2020, the realised gains of these sales amount to £6.95m (target £6m). £5.05m (target £4m) have been redeployed in capital funds to buying additional housing for clergy and Resourcing church development.

Owing to the delay to some sales and the cash deficits sustained since 2018 and budgeted in 2021, the DBF has not been able to reinvest in equities. In fact, it sold £0.5m in investments and secured a revolving credit facility of £2m in 2019 to manage cash flow without further sales.

The success of the initiative has been the redeployment of the DBF's balance sheet toward functional, missional purposes while also increasing its overall value.

The review made the following overall findings.

- The “implementation gap” was closed in this period, with all initiatives being delivered during the period. Effective implementation was secured by strong accountability from the newly configured Bishop’s Council that had clear ownership of the Strategic Plan, seeing its role as establishing, evolving, enabling, empowering, ensuring and evaluating the plan. Reporting was regular, difficult decisions made and people resources were put in place where required.
- Effective implementation contributed to the impact it was intended to achieve. That impact may not be sustained (especially given COVID-19) or be offset by indirect impact; however, some impact may be still yet to come to fruition. At this stage, as can be seen above, the decision to focus on specific areas has largely correlated with positive outcomes in those areas. The exception is outcomes in relation to Parish Share.
- The distinction between the Strategic Plan (as the diocesan level response to the Creating connections vision and priorities) and the strategy for the whole diocese (to invite, encourage and support parishes and other communities of faith to respond themselves by aligning their own plans and activities to the vision and priorities in their own context) was not sufficiently communicated or understood. This learning is being carried into *Transforming Church. Together*.

The initiatives described above therefore represent only one level of contribution to what, together as a diocese, was hoped would result from prayer, activity and trust in God over this period. The primary activity was in the life of local churches and communities of faith, in their worship, outreach and service. Each church is encouraged to review their plans and activities, what resulted and what they learnt.

Looking across the life of the church over this period, there are many encouraging signs. Churches reported an increase in gathering for prayer and participation in small groups for whole life discipleship; their culture of invitation and attention to developing the gifts of all God’s people. As a result, more people attended family focused expressions of church and courses to explore the Christian faith. And giving levels increased by 20%. These are all signs of a healthier, more resilient Church, better able to reach out to their communities.

Local churches maintained their levels of social action between 2017 and 2019. Churches in the Diocese ran 250 social action projects and were involved in 400 more. New initiatives were developed to respond to the COVID-19 pandemic.

However, the numbers of people participating in the worshipping life of the church did not match the expectations of the vision. Despite many examples of local growth, rather than a 10% growth, the Diocese experienced a 10% decline between 2015 and 2019. Although adult baptisms and confirmations held steady, infant and child baptisms reduced by over a third. The numerical decline did level off in terms of attendance in 2019, with a growth in worshipping community numbers. The number of under 16s bounced back to 2016 levels. The trajectory may have started to turn back more generally in 2020, but the disruption from COVID-19 means that is now unclear and uncertain.

Develop vision, values and strategy for the 2020s

Plans to develop vision, values and strategy for the 2020s were deferred and reviewed in the light of the COVID-19 pandemic.

The development project was redesigned as *Transforming Church. Together* and approved by the Bishop’s Council in September 2020. This approval led to a successful application to the Church of England Strategic Capacity Fund to support the development project. This included enhanced capacity and capability and backfill for some senior posts to enable them to lead and oversee the project.

Ministry in the Diocese

At the end of 2020, 206 clergy were licensed across the Diocese of Bristol's 166 parishes, 103 benefices, 5 Bishop's Mission Orders and Bristol Cathedral (2019: 210). Of these clergy, 134 (130) were in stipendiary ministry, 72 (80) were self-supporting ministers (SSMs). 39 (36) of the total were undertaking a training curacy. There were also 22 (16) Anglican clergy licensed to institutions as chaplains, 114 (112) clergy holding the Bishop's Permission to Officiate and 193 (200) Licensed Lay Ministers (LLMs).

During 2020, 5 incumbent status posts were filled and 3 benefices became vacant.

The DBF paid an average of 119 full-time equivalent stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese. In 2015, the comparative figure was 105.

Safeguarding

The safeguarding provision remained stable in 2020, working to the agreed Safeguarding Improvement Plan, adapted in accordance with the impact of COVID-19 pandemic.

Andy Wills was appointed as Independent Chair of the Diocesan Safeguarding Steering Group (DSSG) in April 2020. The Past Case Review 2 started in January 2020 and will now be completed by September 2021. The Parish Safeguarding Dashboard was launched in January 2020 to support parishes in ensuring they are up to date with policies, training, roles, display of key information and reporting. 80% of parishes were actively using the dashboard by the end of 2020.

Face-to-face training was suspended in March 2020 and a revised, virtual safeguarding leadership course launched in July 2020. 1,270 people received training (2019: 1,572), 693 DBS applications (2019: 1,123) were recorded and 36 new cases were recorded (2019: 35). The Safeguarding Annual Report is published on the Diocesan website.

The Independent Inquiry into Child Sexual Abuse reported its findings and recommendations on the Church of England in October 2020, which include changes to the structure of safeguarding. The Church of England is taking forward these recommendations in 2021 and the Diocese acting in accordance with them.

Racial justice

In June 2020, Rt Revd Vivienne Faull committed on behalf of the Bishop of Bristol, Diocese of Bristol and Bristol Cathedral, to act now with a renewed sense of urgency and determination to:

- Acknowledge and repent of the Church's past involvement in and benefit from the slave trade;
- Challenge and address institutional racism, listening to and learning from the experiences of Black, Asian and minority ethnic people;
- Recruit and support more Black, Asian and minority ethnic clergy, staff and volunteers;
- Make our churches truly welcoming to everyone, taking responsibility for the need for profound cultural change in our Church; and
- Work with others in the Diocese of Bristol and the Church of England to bring these things about.

Revd Cathy Okoronkwo was appointed as Bishop's Adviser in Racial Justice and work and planning undertaken to address these commitments.

FUTURE PLANS

In February 2021, the Diocese of Bristol launched *Transforming Church. Together*, a year-long process to engage with and understand the perspectives of people inside the church, those who relate to it and those who may never have given it a thought.

The aim is to help understand what the diocese does well, what can be changed for the better and how to create a positive way forward, for everyone.

During 2021, the Diocese of Bristol is engaging with people in a variety of ways – such as through virtual meetings and workshops, online questionnaires, social media and through churches – talking with and listening to those both within and outside the church.

The engagement lasts until Spring 2021, following which the responses will be used to help work out a new vision and set of priorities for the diocese. A final plan for the years ahead is expected to be completed at the end of 2021. The DBF plans to make an application to the Church of England's Strategic Transformation Fund to access resources to facilitate its future plans.

During 2021, the development of *Transforming Church. Together* will be accompanied by ongoing work to take action on:

- a) The Diocese's declaration of Climate Emergency;
- b) The Diocese's commitments on racial justice; and
- c) Continuing to support ministers, churches, chaplaincies and schools in response to the impact of the COVID-19 pandemic.

FINANCIAL REVIEW

In November 2019, Diocesan Synod approved DBF expenditure totalling **£9,306,000** for 2020 (2019: £9,640,000). The budget presented to Diocesan Synod showed expenditure outstripping income by **£908,000**. However, with **£250,000** of this expenditure constituting improvement works to property and being funded by the Diocesan Stipends Fund (DSF) Capital Fund, this effectively meant that the DBF's operational budget was in deficit by **£658,000**.

This budget, which was agreed before the COVID-19 pandemic struck in March 2020, reflected a desired level of Parish Share (the financial contributions made by parishes to the DBF) for 2020 of **£5,600,000**. By the end of 2020, and despite the challenges of the COVID-19 restrictions, parishes actually gave gifts of Parish Share totalling to **£5,159,000** (2019: £5,407,000). This amount included gifts towards earlier years of £26,000 (2019: £12,000) and additional gifts from parishes of £13,000 (2019: £10,000) made above and beyond the original pledges made.

In terms of other income, fees from occasional office (weddings, funerals etc.) were directly affected by the COVID-19 restrictions and therefore lower than expected. Investment income only reduced marginally, although plans to acquire additional investment units in 2020 were postponed and resulted in lower income than budgeted. Despite concerns, most other income sources were broadly as expected and significantly the DBF was successful in applying for £325,000 of Sustainability Funding from the National Church, which has reduced the impact of the COVID-19 on the DBF's overall income in 2020.

In terms of expenditure, the overall cost of clergy stipends (one of the DBF's most significant area of spending) was almost exactly as budgeted, with the remaining underspend on parochial ministry being due to the timing of Strategic Development Funding (SDF) funded expenditure. As the pandemic hit, there was a concerted effort to make savings where possible and defer expenditure if appropriate. The Coronavirus Job Retention Scheme (CJRS) was utilised in the early part of the pandemic, with some 30% of central posts furloughed in the Summer of 2020 and with the transition of the Diocesan Support Services team to home working also realising some short-term savings.

The overall result for 2020 was an operational **deficit of £551,000** (2019: £671,000 deficit), after including 'other funds' (see below); funding from the Diocesan Stipends Fund (DSF) Capital Fund of **£231,000** (2019: £353,000) and the **£325,000** Sustainability Grant received from the National Church. A comparison between the budget presented to Diocesan Synod and the actual results, for each of the main budget headings, is shown in Table 1 (on page 12).

The income and expenditure from 'other funds' relates primarily to certain ancillary DBF funds, including the DBF Clergy Charities (known as the Clergy Society), the Educational Foundations funds and two Fresh Expressions. In 2020, the Clergy Society, which provides small welfare grants to clergy on a case-by-case basis, awarded 44 grants, amounting to £17,000 (2019: £21,000). In 2020, the Educational Foundations funds awarded grants to the Diocese of Bristol Academies Trust (DBAT) amounting to £100,000 (2019: £100,000) in support of DBAT's expanding operations and in particular continuing support following the opening of the new Deanery secondary school in September 2019.

Within 'Other income' on the Statement of Financial Activities (SoFA; on page 24) is the gains on proceeds from the sale of five properties in 2020 which amounted to **£1,935,000**. 'Other expenditure' disclosed in the SoFA (on page 24) includes **£350,000** of 'negative expenditure' constituting net pension adjustments (2019: £1,488,000). The various components of these pension adjustments are shown in note 10, as well as in the pension disclosures on pages 48 to 51. The other significant, and unbudgeted, item disclosed in this year's income is the transfer of **£2,518,000** of investments from the Bishop Monk's Horfield Trust. The DBF was already the beneficiary of the income from these funds and so this one-off transfer of assets will not have a material on income as in effect income is moving from 'grants' to 'investment income'.

Table 2 (on page 12) shows the reconciliation between the operating deficit of **£551,000** and the overall figure for total net income before investments gains of **£4,407,000** shown on the SoFA (on page 24). It details the various items of unbudgeted expenditure or income (along with the capital grants for the resourcing churches and DSF Capital contribution) that give rise to the difference between these two figures.

The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2020

TABLE 1 – ACTUAL vs. BUDGET 2020	SYNOD BUDGET £000	2020 ACTUAL £000	VARIANCE £000	2019 ACTUAL £000
INCOME				
Parish Share	5,600	5,159	-441	5,407
Local fee income (from weddings and funerals etc.)	308	197	-111	280
Grants (excluding SDF capital grants for SDF projects – See Table 2)	2,015	2,255	+240	1,961
Investment income (incl glebe)	1,050	961	-89	714
Property income	248	267	+19	268
Contribution to Diocesan Support Services	85	79	-6	83
TOTAL INCOME	9,306	8,918	-388	8,714
EXPENDITURE				
Clergy Stipends	3,631	3,633	-2	3,432
Other parochial ministry costs	1,285	862	+423	1,008
Initial ministerial training	1,579	1,562	+17	1,469
Property costs	1,576	1,543	+33	1,766
Diocesan Support Services (staff)	1,221	1,201	+20	1,189
Diocesan Support Services (non-staff)	644	505	+139	668
National Church	278	278	0	278
TOTAL EXPENDITURE	10,214	9,584	+630	9,810
NET INCOME BEFORE OTHER FUNDS	-908	-666	+242	-1,096
Income from 'other funds'	263	215	-48	290
Expenditure from 'other funds'	-263	-331	-68	(237)
Funding from capital funds	250	231	-19	353
NET INCOME / (DEFICIT)	-658	-551	+107	-671

The 'other funds' detailed above relate to ancillary DBF funds, including the DBF Clergy Charities, which provides small welfare grants to clergy, the Educational Foundations funds and two Fresh Expressions.

TABLE 2 – Reconciliation of deficit to Statement of Financial Activities (SOFA)	£000
OVERALL OPERATING DEFICIT (as above)	-551
Exceptional items (that were not budgeted)	
Unrealised gains on investments	+2,679
One-off transfer of investments from the Bishop Monk's Horfield Trust	+2,518
Realised gains on sale of property & land (shown in 'Other Income' on the SOFA)	+1,935
Annual net actuarial pension scheme adjustments	+350
Funding from DSF Capital funds for improvements to housing	-231
Capital grants (received for the Resourcing churches)	+197
One-off transfer of funds from sale of endowment property	+189
Actuarial losses on pension schemes	-59
NET MOVEMENT IN FUNDS (per SOFA on Page 24)	7,027

Significant Property Transactions

The DBF spent £231,000 (2019: £353,000) on necessary improvements to benefice houses in the year from the Diocesan Stipends Capital Fund. The Diocesan Stipends Capital Fund is available for providing and improving benefice and glebe properties and when invested provides income for clergy stipends. Five surplus properties were sold and no properties were purchased during 2020.

Balance sheet position

The Directors consider that the balance sheet together with details in note 26 show broadly that the restricted and endowment funds are held in an appropriate mix of investments and current assets given the purposes for which the funds are held.

During 2020, net assets have grown significantly, totalling £72,764,000 at the balance sheet date compared to £65,737,000 at the end of 2019. However, it is worth highlighting that within this total are properties, mostly used for ministry, whose value amounted to £33,765,000 (2019: £33,883,000). Much of the remainder of the assets shown in the balance sheet are held in restricted funds, and cannot necessarily be used for the general purposes of the DBF.

Reserves policy

The reserves policy of the DBF applies to three distinct levels of its operations.

On one level, the policy is to ensure sufficient funds are available to maintain the smooth, ongoing operations of the DBF. The management of these reserves helps the DBF to ride out daily cash flow requirements, which can be quite substantial considering that the largest item of expenditure (clergy stipends) is paid monthly but the largest income source (Parish Share) tends to come in unevenly across the year overall.

On a second level, the policy is to maintain the minimum level of cash and liquid assets in order to permit the DBF to fulfil its immediate financial commitments and effect a smooth transition should a major change or disruption occur to its operations.

Finally, the policy is to maintain sufficient invested reserves, in order to minimise the call made on parishes to support the work of the Diocese. The annual cost of ministry and related support costs are not wholly covered by annual Parish Share receipts in the DBF budget and a significant factor in bridging this gap is the income generated by historic reserves. The DBF is willing to use its reserves to invest in future ministry and support the Diocese's strategic initiatives, with a view to these becoming self-sustaining over time.

The total of unrestricted funds (designated and undesignated) at 31st December 2020 amounted to £18,751,000 (as shown in note 27), of which £7,022,000 was held in marketable securities and £12,183,000 is tied up in tangible fixed assets (as shown in note 28), which is sufficient to meet this policy.

The required reserves figure (based on the first two levels above) is estimated to equate to at least three months of general fund expenditure and would amount to approximately £2,406,000. At 31st December 2020, net current assets were £43,000. Successive operating deficits over recent years and the recent purchase of various properties has reduced the DBF's liquid assets and the DBF opened a £2m bank credit facility in early 2019 as a result. The DBF's cash flow continues to be monitored closely. The DBF has a number of other endowment and restricted funds which are represented by investments and fixed assets. The purpose of these funds is detailed in note 29 of the financial statements.

Grant making policy

The DBF made a grant of £278,000 (2019: £278,000) to the Archbishops' Council of the Church of England in 2020, as a contribution towards the costs of supporting the National Church Institutions, grants and contributions to other organisations and mission agencies' pension contributions; details of the amounts paid are shown in note 13. Bristol Diocesan Clergy Charities makes grants to diocesan clergy and their dependants, who are in conditions of need, hardship or distress; to advance the education of children of diocesan clergy; and to assist with the holiday expenses of clergy. Other grants made from time to time by the DBF are approved by the Directors in each year's budget.

Loans policy

The DBF advances loans to parishes largely to facilitate fabric works in support of their overall mission and ministry. Interest-free loans of up to £10,000 (formerly £5,000) are made from DBF funds, with larger loans being obtained through the CBF Diocesan Loan Scheme, if available, or directly from the DBF's own funds, subject to availability and eligibility criteria. These are considered to be concessionary loans in accordance with Section 34 of FRS102.

Investment policy

The DBF has power to invest funds not immediately required for operational purposes in such concerns, securities or properties as it thinks fit. The Directors have resolved to invest such funds mainly within the various CBF Funds, managed by CCLA Investment Management Limited, which also operates the ethical investment policy of the National Church Institutions. Investments are placed to achieve income and long-term capital growth. The Finance Committee monitors investment performance through quarterly reports from the Investment Advisers. The majority of investments are held as permanent endowments for the long-term and therefore the Directors' investment advisers continue to recommend no material change to the current investment strategy. A number of changes to the investment portfolio have taken place in the year, including receiving investments formerly held by the Bishop Monk's Horfield Trust. The investments held and their returns during the year are set out in the following table:

	Funds at 31 st December 2020 £'000s	Proportion of portfolio	Income yield in year	Total Return* in year (gross)	Total Return in year of comparator
CBF Investment Fund	21,383	60.25%	2.93%	+10.20%	+3.95%
CBF Global Equity Fund	8,376	23.60%	2.78%	+22.69%	+12.32%
CBF Property Fund	2,395	6.75%	4.68%	-0.48%	-1.65%
CBF Fixed Interest Fund	768	2.16%	2.48%	+6.77%	+8.42%
Other investments	2,571	7.24%	-	-	-
	35,493	100.00%			

*Capital and income

Connected charities

The Foundation of Saint Matthias (registered charity number 311696) is administered from the DBF's registered office by its Clerk to the Trustees, who is an employee of the DBF. The Foundation paid a fee for these services of £31,001 in 2020 (2019: £27,439). The Foundation made a grant to the DBF in 2020 of £50,000 towards the work of the Adviser to schools and the resource centre in the Diocese (2019: £50,000). Further grants of £6,000 (2019: £6,000) were received to fund the Diocese's Further Education work.

As noted above, the Diocese has established The Diocese of Bristol Academies Company (DoBAC) and The Diocese of Bristol Academies Trust (DBAT). Until October 2020, DBAT was administered from the DBF's registered office and contributed £38,516 to the DBF in 2020 in relation to costs incurred on their behalf (2019: £63,963).

Many of the Directors are involved with charitable bodies which are potentially beneficiaries to or from the DBF and a register is kept of these involvements. The Directors are mindful of their duties as Trustees of this charity and ensure that possible conflicting interests are declared and that all decisions are reached on a proper basis.

Grants received

The DBF is thankful to the various grant-making bodies that have supported the work of the Diocese of Bristol during 2020. Significant grants were received by the DBF during the period, including £1,563,000 from the Archbishops' Council; £187,000 from the Temple Ecclesiastical Charity; £106,000 from Allchurches Trust; £102,000 from Bishop Monk's Horfield Trust (excluding the transfer of assets and subsequent income) and £60,000 from the Bristol Archdeaconry Charity.

Further details of grants and donations received in the year are shown in note 3.

Directors

None of the Directors have received any emoluments from the DBF in their capacity as Directors or for services to the DBF. However, included in clergy stipends are the emoluments and expense reimbursements of certain Directors who have been paid in respect of their duties as clergy. Note 14 to the accounts details transactions with the Directors during the year. As in previous years, the DBF has maintained insurance cover against losses arising from claims against it for wrongful acts committed by its Directors and officers.

Charitable contributions

Charitable contributions have been paid as normal expenditure in the pursuance of the DBF's objects. No political contributions have been made.

Taxation status

The DBF is a registered charity and, as such, is able to claim certain exemptions from Corporation Tax. No provision for tax is considered necessary.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors, through an Audit and Risk Committee, which normally meets three times per year, have continued the process of examining the major strategic and operational risks which the DBF faces. They hold and monitor a register of the significant risks, assessing the probability of occurrence and likely impact if they were to occur.

In 2020, the Audit and Risk Committee continued to use the framework for identifying and managing risk that was adopted in 2017. This framework requires the Directors to set their corporate appetite for risk in four areas (finance, reputation, engagement and operations) and has been designed to provide clarity about the operational and strategic risks facing the DBF. The impact and likelihood of each risk have been scored and the top scoring risks above the appetite of the Directors are as follows, along with their mitigation strategies:

Income from Parish Share is insufficient to meet the financial commitments and the strategic plans of the Diocese.

Mitigation:

- Maintain current approach to Parish Share, based on the principles of *taking responsibility, being generous and having faith*;
- Sustain roll-out of stewardship initiatives and tools to encourage generosity (e.g. Parish Giving Scheme, contactless etc.), with support of Giving & Resources Adviser(s), Archdeacons and other champions; and
- Active engagement with parishes and careful control of DBF expenditure.

Significant societal changes due the worldwide spread of COVID-19 coronavirus have a long-term impact on the Diocese's ability to maintain and grow its ministry.

Mitigation:

- Continue to monitor and review the direct impact of the pandemic, with early intervention and support for particularly vulnerable parishes without the resilience or resources to adapt;
- Continue to assess the long-term impact on parishes, including sustainability (in terms of people or finances); established patterns of church becoming unworkable without corresponding adaptation; new innovations being lost;
- Develop *Transforming Church. Together.* to respond to a post-COVID context; and
- Continue to assess the long-term impact on the DBF, including the ability to sustain current clergy and support staff numbers.

Serious safeguarding case identified (past or current)

Mitigation:

- Ensure swift action is taken if a situation does arise, with effective safeguarding provision available through the diocesan safeguarding adviser, training officers and caseworkers;
- Ensure safer recruitment, training, policies applied and audited at diocesan and parish level;
- Effective oversight and scrutiny by the Diocesan Safeguarding Steering Group (DSSG); and
- Continuation of positive safeguarding leadership, communication and culture.

COVID-19

The Directors have considered the impact that the COVID-19 pandemic will continue to have on the DBF's current and future financial position. These include the impact on Parish Share, which is highly related to the income of parishes, and which has been affected by social-distancing measures, such as the closure of church buildings, limitations on public worship and the prohibition of non-essential gatherings. Other income sources will continue to be directly affected, such as fee income from postponed occasional offices and reduced investment income, as the COVID-19 measures affect the wider economy.

The DBF is taking the following steps to mitigate the continuing threats that COVID-19 may pose to the organisation:

- Supporting parishes to sustain ministry and mitigate the loss of income;
- Careful management of cash balances to ensure sufficient liquidity; and
- Reducing and deferring expenditure, where possible and appropriate.

The Directors consider that the DBF will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The DBF has sufficient cash to meet short-term needs; and
- The DBF could increase borrowing or sell assets (property or investment) if required.

The Trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

STRUCTURE AND GOVERNANCE

Organisational structure

The DBF is governed by its Memorandum and Articles of Association, but also has to work in accordance with the requirements of the Synodical Government Measure 1969, which is regularly updated by means of its Schedule 3 'Church Representation Rules'.

The Articles provide that the members of the Standing Committee (Bishop's Council) shall be the Directors. The Bishop's Council and Standing Committee are elected triennially by the houses of clergy and laity of the Diocesan Synod, in accordance with Church Representation Rules. Certain officers of the Diocese are *ex-officio* members of the Bishop's Council and Standing Committee. The Chairman and Vice-Chairman of the Board are elected at the next General Meeting following the election of members. All members of the Diocesan Synod who are not DBF employees are entitled to be members of the company.

Following election, the Board of Directors are provided with information about their duties and responsibilities as Charity Trustees and Company Directors. This training last took place in February 2019 at the beginning of the Director's three-year term.

Decision making structure

The Bishop's Council and Directors met six times in 2020. All business between Directors' meetings is dealt with by the Finance Committee, which met eight times in 2020. On behalf of the Directors, the Committee deals with such matters as the annual accounts, the receipt of Parish Share and the management of the DBF's corporate property, investments and its role as Diocesan Authority for Parochial Trusts. It also deals with matters relating to the work of the Parsonages Board and the Diocesan Board of Education. It makes suggestions to the Bishop's Council about the appropriate level of stipends for the clergy and it deals, usually through the Chairman and the Remuneration Committee, with staff remuneration and conditions of service.

The DBF, although a fully independent charity, is one of 42 Dioceses in the Church of England, which itself is governed under the Synodical Government Measure 1969 by General Synod and the Archbishops' Council.

Remuneration of key management personnel

Emoluments of higher-paid employees are based on job evaluation and remuneration levels are scrutinised by the HR and Remuneration Committee, which in 2020 consisted of one DBF Director and two co-opted members with professional expertise. The HR and Remuneration Committee make recommendations to the Finance Committee and its terms of reference include remuneration and HR policy.

Public benefit

The Directors consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and in particular the Commission's guidance in *The Advancement of Religion for the Public Benefit*, the Directors believe they have had regard to the duty in their administration of the DBF.

The Directors believe that, by promoting the work of the Church of England in the Diocese of Bristol, the DBF helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the Diocese as a whole and in its individual parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

The Directors believe that this report, taken as a whole, provides evidence that the DBF's work in 2020 furthered its charitable purposes for the public benefit.

Constitution

The Bristol Diocesan Board of Finance Limited (the DBF) is a company limited by guarantee registered under the Companies Act, number 156243. It is also a registered charity, number 248502, registered in England and Wales. The principal office and registered office of the charity is Diocesan Office, First Floor, Hillside House, 1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU.

Directors and Trustees

The Directors of the Board of Finance are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Directors. This report constitutes the Trustees' report for charity law purposes and the Directors' report for Companies Act purposes.

Delegation of day to day delivery

The names of all those who were Directors on the date the report was approved are given on page 19 of this report, as are the names of any who served as Directors from the start of the financial year.

The name of the Diocesan Secretary (Chief Administrative Officer), to whom day to day management of the charity has been delegated, and the names and addresses of professional advisers are to be found on page 20.

Funds held by the DBF as trustee

In February 1998, the Charity Commissioners issued a scheme making the DBF the sole Trustee of the charity known as the Bristol Diocesan Clergy Charities. The accounts of this charity have been aggregated into these financial statements as they are administered by the DBF and held for specific purposes which are within the general purposes of the DBF.

By virtue of the Parochial Church Council (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners schemes, the DBF is the Diocesan Authority over certain assets held on permanent trusts. These assets have not been aggregated in these financial statements, since the DBF does not control them. Separate financial statements have been prepared to account for the DBF's stewardship of these assets, and full trust accounts for each trust are the responsibility of the managing trustees in each case. Copies of the separate financial statements are available from the Secretary at the Registered Office of the DBF.

Funds held on behalf of schools

The Diocesan Board of Education (DBE) is incorporated within the DBF and receives contributions from governors of voluntary-aided church schools within the Diocese in connection with major repair and capital projects to church schools and also government grants in connection with the same. The DBE administers these monies as managing agent and makes appropriate payments to contractors for work carried out. The monies do not belong to the DBE and as such the receipts and payments are not treated as income and expenditure in the Statement of Financial Activities. Any monies held at the balance sheet date are treated as creditors on the balance sheet.

The amount included in creditors as at 31st December 2020 is £1,073,887 (2019: £1,065,000). The income and expenditure relating to school projects not reflected in the Statement of Financial Activities amounted to £390,000 and £399,000 respectively in 2020 (2019: £287,000 and £233,000).

Suppliers, customer and others

During 2020, the DBF has had regard to the need to foster the organisation's relationships with suppliers, customers and others.

TRUSTEES' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and Strategic Report and the financial statements in accordance with applicable law and regulations.

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

- select the most suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Statement of disclosure to Auditors

So far as the Directors are aware,

- a) there is no relevant audit information of which the charitable company's Auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's Auditors are aware of that information.

Appointment of Auditors

A resolution to appoint auditors to the Company and to authorise the Directors to fix their remuneration will be proposed at the Annual General Meeting.

ADMINISTRATIVE DETAILS

Directors and Trustees

The following served as Directors and Trustees from 1st January 2020 to the date this report was approved (unless shown otherwise):

President: The Rt Rev Dr V F Faull, Bishop of Bristol *

Chairman: Canon A J S Lucas *

Vice Chairman: Canon C W E R Buchan FCA *

The Rev Canon R W Adams

The Ven C P Bryan *, Archdeacon of Malmesbury

The Rev K M Campion-Spall

Professor D N Clarke *

Mrs C Davison

Ms C E Dursley

Mr B A Fynamore

The Very Rev A Ford, Dean of Bristol (from 3rd October 2020)

Canon N R Orman *

The Rt Rev Dr L S Rayfield, Bishop of Swindon

Mr J Sunderland

The Ven N M Warwick *, Archdeacon of Bristol

The Rev T A Wigley *

* *Members of Finance Committee in 2020*

The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2020 (cont)

Senior management and advisers

Diocesan Secretary	Canon Oliver Home
Deputy Diocesan Secretary (Finance & Operations)	Mr Matthew Hall FCA
Head of Governance & Property	Mrs Sally Moody
Head of Parish & External Relations	Mr Chris Priddy
Director of Ministry Development	The Rev Dr Simon Taylor
Director of Education	Ms Liz Townend
Company Secretary	Canon Oliver Home
Registered Office	1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU.
Auditors	Mazars LLP 90 Victoria Street Bristol, BS1 6DP.
Solicitors	Harris & Harris 14 Market Place, Wells, Somerset, BA5 2RE.
Bankers	National Westminster Bank plc 40 Queen's Road, Clifton, Bristol, BS8 1BF.
Insurers	Ecclesiastical Insurance Group Beaufort House, Brunswick Road, Gloucester, GL1 1JZ.
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET.

This report, which incorporates the Strategic Report, was approved by the Directors of the Bristol Diocesan Board of Finance Limited on 20th May 2021 and signed on their behalf by

Andrew Lucas
Chairman

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

Opinion

We have audited the financial statements of The Bristol Diocesan Board of Finance Limited (the 'charity') for the year ended 31st December 2020 which comprise The Statement of Financial Activities, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 31st December 2020 and of its profit 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 Strategic 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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.

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 Trustees' Responsibilities Statement set out on page 18, the Trustees 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 charity 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 the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Bristol Diocesan Board of Finance Limited and its operations, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, pensions legislation, employment regulations, health and safety regulations, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Independent Auditors' Report to the Members of The Bristol Diocesan Board of Finance Limited

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with the Trustees and management their policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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

Richard Bott
(Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol
Redcliffe
BS1 6DP

Date: 10th June 2021

The Bristol Diocesan Board of Finance Limited
Statement of Financial Activities
for the year ended 31 December 2020

	Note	Unrestricted		Restricted	Endowment	2020	2019
		Undesignated	Designated	Funds	Funds	Total	Total
		£,000	£,000	£,000	£,000	Funds	Funds
						£,000	£,000
Income and endowments from							
Donations	3						
Parish Share contributions		5,159	-	-	-	5,159	5,407
National Church Institutions (NCIs)		778	-	785	-	1,563	1,592
Other donations		763	-	2,736	-	3,499	807
Charitable activities	4	238	-	-	-	238	329
Other activities	5	346	-	4	-	350	364
Investments	6	365	167	506	-	1,038	1,065
Gains/(Loss) on sale of assets	7	943	-	189	992	2,124	2,360
Total income		8,592	167	4,220	992	13,971	11,924
Expenditure on							
Raising funds	8	114	2	15	-	131	74
Charitable activities	9	8,286	118	1,132	231	9,767	10,059
Other expenditure & adjustments	10	(344)	10	0	-	(334)	(1,502)
Total expenditure		8,056	130	1,147	231	9,564	8,631
Net income / (expenditure) before other gains		536	37	3,073	761	4,407	3,293
Net gains / (losses) on investments		127	870	700	982	2,679	4,388
Net income		663	907	3,773	1,743	7,086	7,681
Transfers between funds	15	293	197	(490)	-	-	-
Actuarial gains / (Losses) on pension schemes		(59)	-	-	-	(59)	(74)
Net movement in funds		897	1,104	3,283	1,743	7,027	7,607
Funds brought forward		7,331	9,419	6,351	42,636	65,737	58,130
Funds carried forward	27	8,228	10,523	9,634	44,379	72,764	65,737

All activities relate to continuing activities.

The notes on pages 28 to 52 form part of these financial statements.

The Bristol Diocesan Board of Finance Limited
Income and Expenditure Account
for the year ended 31 December 2020

	2020 £,000	2019 £,000
Total income	12,979	9,579
Total expenditure	(9,333)	(8,227)
Operating surplus for the year	<u>3,646</u>	<u>1,352</u>
Net (losses) / gains on investments	1,697	2,281
Net income for the year	<u>5,343</u>	<u>3,633</u>

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

The Bristol Diocesan Board of Finance Limited
Balance Sheet
as at 31 December 2020

	Note	£,000	2020 £,000	£,000	2019 £,000
FIXED ASSETS					
Tangible assets	16-18		33,781		33,916
Investments	19		38,894		33,739
			<u>72,675</u>		<u>67,655</u>
CURRENT ASSETS					
Debtors	20-21	1,155		1,662	
Cash on deposit	22	4,829		1,975	
Cash at bank and in hand	22	430		387	
				<u>6,414</u>	<u>4,024</u>
CREDITORS: amounts falling due within one year	23	(4,162)		(1,364)	
NET CURRENT ASSETS			<u>2,252</u>		<u>2,660</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>74,927</u>		<u>70,315</u>
CREDITORS: amounts falling due after more than one year	24		(2,163)		(4,578)
NET ASSETS	28		<u>72,764</u>		<u>65,737</u>
FUNDS					
Endowment funds	27	15,885		15,124	
Endowment funds revaluation reserve		28,494		27,512	
			<u>44,379</u>		<u>42,636</u>
Restricted funds		6,413		3,830	
Restricted funds revaluation reserve		3,221		2,521	
			<u>9,634</u>		<u>6,351</u>
Unrestricted funds		12,649		11,936	
Revaluation reserve		6,926		5,929	
Unrestricted funds excluding pension liability		19,575		17,865	
Pension reserve	33	(824)		(1,115)	
			<u>18,751</u>		<u>16,750</u>
TOTAL FUNDS			<u>72,764</u>		<u>65,737</u>

The Cash Flow Statement and the Notes form part of these financial statements. The financial statements were approved and authorised for issue by the Directors of the Bristol Diocesan Board of Finance Limited on 20th May 2021 and signed on their behalf by

Andrew Lucas
Chairman

The Bristol Diocesan Board of Finance Limited
Cash flow statement
for the year ended 31st December 2020

	£,000	2020 £,000	£,000	2019 £,000
Net cash inflow / (outflow) from operating activities		2,347		(2,602)
Cash flows from investing activities				
Dividends, interest and rent from investments	1,038		1,066	
Proceeds from the sale of:				
Tangible fixed assets	2,650		3,235	
Fixed asset investments	998		-	
Purchase of:				
Tangible fixed assets for the use of the DBF	(598)		(2,248)	
Fixed asset investments	(998)		(1,000)	
Transfer of assets (from BMHT)	(2,476)		-	
Net cash provided by / (used in) investing activities		614		1,053
Cash flows from financing activities				
Loans repaid by the DBF	(64)		(73)	
New loans received by the DBF	-		2,000	
Net cash provided by / (used in) financing activities		(64)		1,927
Change in cash and cash equivalents in the period		2,897		379
Cash and cash equivalents at 1st January		2,362		1,983
Cash and cash equivalents at 31st December		5,259		2,362
Reconciliation of net movements in funds to net cash flow from operating activities				
Net movement in funds for the year ended 31st December		4,407		3,293
Adjustments for:				
Depreciation charges		18		19
Dividends, interest and rent from investments		(1,038)		(1,066)
(Profit) on sale of functional assets		(1,965)		(2,360)
(Profit) on sale of fixed asset investments		30		-
(Increase) / decrease in debtors		507		(3)
(Decrease) / increase in creditors (excl. loans)		388		(2,485)
Net cash provided by / (used in) operating activities		2,347		(2,602)
Analysis of cash and cash equivalents				
Cash in hand		430		387
Notice deposits (less than 3 months)		4,829		1,975
		5,259		2,362

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2020

BACKGROUND INFORMATION

These financial statements comprising the Statement of Financial Activities, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes 1 to 37 constitute the individual financial statements of The Bristol Diocesan Board of Finance Limited for the financial year ended 31st December 2020.

The Bristol Diocesan Board of Finance Limited is a private company limited by guarantee, incorporated in England & Wales. The address of its registered office is Diocesan Office, First Floor, Hillside House, 1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU, which is also the principal place of business. The principal activities of the entity are described in the legal objects section on page 2 of the Annual Report of the Directors.

The financial statements have been presented in Pound Sterling as this is functional currency of the DBF and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, with the exception of freehold properties held as investment properties, which are included at their fair value as determined under the applicable valuation method as detailed in c)iii, and fixed asset investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Companies Act 2006 and applicable accounting standards (FRS102).

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The Bristol Diocesan Board of Finance Limited meets the definition of a public benefit entity under FRS 102.

GOING CONCERN

The Directors have reviewed the anticipated performance for a period of at least twelve months from the date of approval of the financial statements and concluded that there is no material uncertainty regarding the DBF's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the Directors consider it appropriate to prepare the financial statements on a going concern basis. The Directors consider that the DBF has sufficient reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

a) Income

All income is included in the Statement of Financial Activities (SOFA) when the DBF is legally entitled to them as income or capital, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

i) Parish Share

The principal source of income of the DBF is Parish Share, and amounts undertaken to be paid by parishes for the year, but not received by the year-end, are only accrued if received on or before the 31st January 2020.

ii) Rent

Rent receivable is recognised as income in the period to which it relates.

iii) Interest and dividends

The amounts shown in the accounts in respect of interest represent the income received in the year and no account has been taken of accrued interest. Dividends from investments reported in these financial statements are recognised when they become receivable.

iv) Grants and donations

Income from grants and donations is recognised on receipt, except where it relates specifically to expenditure to be incurred at a future date, in which case the income is deferred in the balance sheet.

v) Parochial fees

Income due to the DBF in respect of parochial fees is recognised as income of the year to which they relate.

vi) Gains on disposal of fixed assets for the DBF's own use

Gains on the disposal of non-investment assets are accounted for as other income. Losses on disposal of such assets are accounted for as other expenditure.

vii) Diocesan Stipends Fund (DSF) income

The Stipends Fund Capital account is governed by the Diocesan Stipends' Measure 1953, as amended, and the use of the income restricted for clergy stipends. However, the income is fully expended within the year of receipt and legal restrictions, therefore, are satisfied. This income is included in the restricted column on the Statement of Financial Activities and as a transfer to the unrestricted fund, where the related expenditure is shown.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2020

b) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

i) Costs of raising funds

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

ii) Charitable expenditure

Charitable expenditure is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry in the parishes of the diocese, expenditure relating to the running of the diocesan retreat centre, and expenditure on education and Church of England schools in the diocese.

iii) Grants payable

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure where the conditions attaching are fulfilled.

iv) Support costs

Support costs consist of central management, administration and governance costs. The amount spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff time basis.

v) Pension contributions

Current DBF staff are members of a defined contribution scheme and clergy are members of the Church of England Funded Pensions Scheme (see note 34). The pension costs charged as resources expended represent the DBF's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding for the pension schemes to which DBF participates is accrued at current value in creditors distinguished between contributions falling due within one year and after more than one year.

The DBF operates a defined benefit pension scheme, now closed to new members. The amounts charged to the SOFA are the current service costs and gains and losses on settlement and curtailments. They are included as part of other expenditure in the SOFA. Past service costs are recognised immediately in the SOFA if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs in other expenditure. Actuarial gains and losses are recognised immediately at the bottom of the SOFA.

The defined benefit scheme is funded, with the assets of the scheme held separately from those of the company, in a separate trustee-administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent current and term to the scheme liabilities. The actuarial valuation is obtained at least triennially and is updated at each balance sheet date.

c) Tangible fixed assets and depreciation

i) Freehold properties

Freehold properties have been valued using the mid-point of the applicable council tax band, adjusted to 1st January 1993 by an appropriate index, or cost where known. Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case, and because their expected residual value is not materially less than their carrying value. The DBF has a policy of regular structural inspection, repair and maintenance, which in the case of residential properties is in accordance with the Repair of Benefices Buildings Measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties generally occur well before the end of their economic lives and disposal proceeds are usually not less than their carrying value. The Trustees perform annual impairment reviews in accordance with the requirements of FRS102 to ensure that the carrying value is not more than the recoverable amount.

Redundant churches have been valued at £1,000, reflecting the uncertainty of whether they will be sold by the DBF.

ii) Properties subject to value linked loans

Properties which have been bought with the assistance of value-linked loans from the Church Commissioners are valued at cost, with the corresponding value of the related loan at the balance sheet date shown within creditors.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2020

iii) Investment properties

Glebe land has been valued at market value, using an appropriate value per acre, based on recent professional valuations. Other glebe properties are valued at market value, based on available third-party property valuation data.

iv) Parsonage houses

The DBF has followed the requirements of FRS102, in its accounting treatment for benefice houses (parsonages). FRS102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The DBF is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent. The Trustees therefore consider the most suitable accounting policy is to capitalise such properties as expendable endowment assets and to carry them at the mid-point of the applicable council tax band, adjusted to 1st January 1993 by an appropriate index, or cost where known.

v) Refurbishment costs and office equipment

Refurbishment costs are capitalised and depreciated over ten years using the straight-line method. Office equipment and furniture is capitalised and depreciated over three years using the straight-line method. Grants made for capital expenditure on church and other buildings not in the DBF's ownership are written off in the year the grant is made.

d) Other tangible fixed assets

All capital expenditure over £5,000 is capitalised and depreciated as follows. Depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives at the following initial rates:

Fixtures and fittings	10% -33% per annum	straight-line basis
IT equipment	33% per annum	straight-line basis

e) Other accounting policies

i) Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

ii) Leases

The DBF has entered only into operating lease arrangements for the use of certain assets, the rental for which is charged in full as expenditure in the year to which it relates. Where rent free periods are given as part of an operating lease, the impact of this rent free period is reflected in the Statement of Financial Activities over the lease term.

iii) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

f) Fund balances

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

i) Unrestricted funds

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the DBF and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Long-term liabilities in respect of defined benefit pension scheme deficits are shown in a specific undesignated pension reserve fund. This is a deviation from the recommendations of the Diocesan Annual Report and Financial Statements Guide (5th Edition).

ii) Restricted funds

Restricted funds are funds which have been raised by the DBF for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

iii) Endowment funds

Permanent endowment funds are a particular type of restricted fund which must be held permanently and the capital of the fund maintained. Expendable endowment funds are similar to permanent endowments except that there is power of discretion to convert endowed funds into income to be expended.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2020

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Benefice houses recognition

Benefice houses are legally vested in the incumbent of the benefice. However, the DBF has recognised these properties as functional assets of the DBF on the basis that the DBF carries both obligations in terms of maintenance and improvement and object related benefits of ownership.

Depreciation of freehold properties

The DBF does not depreciate its freehold properties as it judges any depreciation charge to be immaterial on the basis of the long life of the asset and high residual value on the basis of the DBF policy of regular maintenance. The DBF carries out periodic impairment reviews to ensure that properties are not being carried at values exceeding their fair value.

Revaluation of investment properties

The entity carries its investment property at fair value, with changes in fair value being recognised in the Statement of Financial Activities. The entity engaged independent valuation specialists to determine fair value at 31st December 2015 and has considered market movements since this date. The valuer used a valuation technique based on a value per acre of agricultural land and the market value for residential properties. The determined fair value of the investment property is most sensitive to the estimated value per acre of the particular land asset in question.

Pension and other post-employment benefits

The cost of defined benefit pension plans and other pension related provision are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty.

In determining the appropriate discount rate, management considers the interest rates of corporate bonds with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates and for the clergy pension scheme assumptions have been made about the number of future clergy in post.

Discount rate

Further details are given in note 34.

Small values

Values which are £Nil are shown as - ; those below £500 are shown as 0.

2. MOVEMENT IN FUNDS FOR THE YEAR

	2020	2019
	£,000	£,000
The net income for the year is stated after charging:		
Auditors' remuneration	20	19
Auditors' non-audit remuneration	-	2
Depreciation	18	19
Operating lease charges – plant and equipment	-	-
Operating lease charges – land and buildings	109	109
Interest payable on loans wholly repayable: within one year	48	6
Interest payable on loans wholly repayable: between one and five years	-	23
Interest payable on loans wholly repayable: after more than five years	21	20
	<u> </u>	<u> </u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2020

3. DONATIONS

Parish Contributions

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

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2020	2019
	£,000	£,000	£,000	£,000	£,000	£,000
Pledges received from parishes	5,514	-	-	-	5,514	5,435
Shortfall in contributions	(394)	-	-	-	(394)	(50)
	<u>5,120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,120</u>	<u>5,385</u>
Extra contributions	13	-	-	-	13	10
	<u>5,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,133</u>	<u>5,395</u>
Receipts for previous years	26	-	-	-	26	12
	<u>5,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,159</u>	<u>5,407</u>

National Church Institutions (NCIs)

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2020	2019
	£,000	£,000	£,000	£,000	£,000	£,000
Lower Income Communities Funding	419	-	-	-	419	378
Strategic Development Funding	-	-	768	-	768	1,124
Sustainability Funding	325	-	-	-	325	-
Strategic Capacity Funding	-	-	4	-	4	41
Strategic Ministry Funding	33	-	-	-	33	-
New housing areas	-	-	9	-	9	45
CEMES	-	-	4	-	4	4
Church Commissioners annuities	1	-	-	-	1	1
	<u>778</u>	<u>-</u>	<u>785</u>	<u>-</u>	<u>1,563</u>	<u>1,592</u>

Other donations

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2020	2019
	£,000	£,000	£,000	£,000	£,000	£,000
Temple Ecclesiastical Charity	187	-	-	-	187	183
Allchurches Trust	106	-	-	-	106	95
Bishop Monk's Horfield Trust	129	-	2,518	-	2,647	137
Bristol Archdeaconry Charity	60	-	-	-	60	60
The Foundation of St Matthias	50	-	-	-	50	50
Marshall's Charity	3	-	-	-	3	10
Other donations	13	-	21	-	34	45
For strategic initiatives	-	-	197	-	197	138
For parochial ministry	80	-	-	-	80	39
For education work	54	-	-	-	54	88
For general purposes	77	-	-	-	77	22
Towards redundant churches	4	-	-	-	4	3
Deferred income	-	-	-	-	-	(63)
	<u>763</u>	<u>-</u>	<u>2,736</u>	<u>-</u>	<u>3,499</u>	<u>807</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2020

4. CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2020	Total funds 2019
	General	Designated	Funds	Funds	2020	2019
	£,000	£,000	£,000	£,000	£,000	£,000
Statutory fees	197	-	-	-	197	280
SACRE and SIAMS	29	-	-	-	29	32
Schools work	6	-	-	-	6	14
Ministry courses	6	-	-	-	6	3
	<u>238</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>238</u>	<u>329</u>

5. OTHER ACTIVITIES

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2020	Total funds 2019
	General	Designated	Funds	Funds	2020	2019
	£,000	£,000	£,000	£,000	£,000	£,000
Property rental	267	-	-	-	267	268
Staff seconded to other charities	48	-	-	-	48	51
Property services to schools	-	-	4	-	4	1
Office space to related charities	31	-	-	-	31	44
Education SLAs	-	-	-	-	-	-
	<u>346</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>350</u>	<u>364</u>

6. INVESTMENT INCOME

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2020	Total funds 2019
	General	Designated	Funds	Funds	2020	2019
	£,000	£,000	£,000	£,000	£,000	£,000
Dividends and interest receivable	362	159	506	-	1,027	1,037
Rents receivable	3	8	-	-	11	28
Other	-	-	-	-	-	-
	<u>365</u>	<u>167</u>	<u>506</u>	<u>-</u>	<u>1,038</u>	<u>1,065</u>

7. GAINS ON SALE OF ASSETS

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2020	Total funds 2019
	General	Designated	Funds	Funds	2020	2019
	£,000	£,000	£,000	£,000	£,000	£,000
Gains / (Losses) on sale of assets	943	-	-	992	1,935	2,360
Other sources	-	-	189	-	189	-
	<u>943</u>	<u>-</u>	<u>189</u>	<u>992</u>	<u>2,124</u>	<u>2,360</u>

8. FUND RAISING COSTS

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2020	Total funds 2019
	General	Designated	Funds	Funds	2020	2019
	£,000	£,000	£,000	£,000	£,000	£,000
Parsonage rental costs	111	-	-	-	111	48
Glebe agent's fee	-	-	14	-	14	14
Other glebe costs	-	-	1	-	1	8
Other rental costs	-	2	-	-	2	4
Commercial property costs	3	-	-	-	3	4
	<u>114</u>	<u>2</u>	<u>15</u>	<u>-</u>	<u>131</u>	<u>74</u>

The Bristol Diocesan Board of Finance Limited
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for the year ended 31st December 2020

9. CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds £,000	Endowment Funds £,000	Total funds 2020 £,000	Total funds 2019 £,000
	General £,000	Designated £,000				
Contributions to Archbishops' Council						
Training for Ministry	225	-	-	-	225	225
National Church Responsibilities	169	-	-	-	169	179
Grants and provisions	19	-	-	-	19	19
Support of mission agency pensions	9	-	-	-	9	3
CHARM	81	-	-	-	81	77
Pooling of ordinands maintenance	(103)	-	-	-	(103)	40
	<u>400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400</u>	<u>543</u>
Resourcing Ministry and Mission						
Parish Ministry						
Stipends, NI and pensions	3,382	-	-	-	3,382	3,235
Housing costs	1,196	-	-	231	1,427	1,716
Curate stipends, NI and pensions	719	-	-	-	719	522
Mission Area & Resourcing churches	175	-	790	-	965	809
Other parochial costs	129	9	38	-	176	265
Removal, resettlement and grants	273	-	19	-	291	324
Chaplaincy	108	-	-	-	108	108
Ecumenical support	32	-	1	-	33	54
Deanery	21	-	-	-	21	47
Support for parish ministry	1,644	109	3	-	1,756	1,873
	<u>7,679</u>	<u>118</u>	<u>851</u>	<u>231</u>	<u>8,879</u>	<u>8,953</u>
Expenditure on Education						
Support for church schools	207	-	281	-	488	563
	<u>207</u>	<u>-</u>	<u>281</u>	<u>-</u>	<u>488</u>	<u>563</u>
	<u>8,286</u>	<u>118</u>	<u>1,132</u>	<u>231</u>	<u>9,767</u>	<u>10,059</u>

10. OTHER EXPENDITURE

	Unrestricted Funds		Restricted Funds £,000	Endowment Funds £,000	Total funds 2020 £,000	Total funds 2019 £,000
	General £,000	Designated £,000				
Closed churches	6	8	-	-	14	(84)
Other churches	-	2	-	-	2	19
Bishop's Urban Fund	-	-	0	-	0	-
Other costs	-	-	-	-	-	51
<i>Pension scheme adjustments:</i>						
Contributions paid (BDBF Staff RBS)	(83)	-	-	-	(83)	(83)
Interest cost (BDBF Staff RBS)	29	-	-	-	29	31
Contributions paid (Clergy scheme)	(364)	-	-	-	(364)	(330)
Remeasurement (Clergy scheme)	62	-	-	-	62	(1,149)
Interest cost (Clergy scheme)	6	-	-	-	6	43
	<u>(344)</u>	<u>10</u>	<u>0</u>	<u>-</u>	<u>(334)</u>	<u>(1,502)</u>

The Bristol Diocesan Board of Finance Limited
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11. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS

	Activities Undertaken Directly £,000	Grant Funding of Activities £,000	Support Costs £,000	Total Costs 2020 £,000
Fundraising costs	131	-	-	131
Charitable activities				
Archbishops' Council	-	400	-	400
Ministry and Mission	7,170	307	1,402	8,879
Education	270	218	-	488
Other	(334)	-	-	(334)
	<u>7,237</u>	<u>925</u>	<u>1,402</u>	<u>9,564</u>

12. ANALYSIS OF SUPPORT COSTS

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2020 £,000	Total funds 2019 £,000
	General £,000	Designated £,000	£,000	£,000		
Diocesan Office functions	309	109	-	-	418	453
Finance and Information Services	404	-	-	-	404	407
Advisory services	145	-	-	-	145	142
Safeguarding	114	-	-	-	114	127
Communications	82	-	-	-	82	73
HR function	58	-	-	-	58	61
Parish and External Relations	75	-	-	-	75	75
Registrar and Chancellor	53	-	-	-	53	47
Archdeacon's Office	30	-	-	-	30	30
DAC	1	-	-	-	1	3
Governance and synodical costs	(2)	-	-	-	(2)	22
Central audit fees	16	-	-	-	16	16
Other professional services	8	-	-	-	8	8
	<u>1,293</u>	<u>109</u>	<u>-</u>	<u>-</u>	<u>1,402</u>	<u>1,464</u>

13. ANALYSIS OF GRANTS MADE

	Number	Individuals £,000	Institutions £,000	2020 Total £,000	2019 Total £,000
From unrestricted funds for national church responsibilities:					
Training for Ministry (Vote 1)	1	-	225	225	225
Apportionment (Votes 2-5)	4	-	278	278	278
Pooling	1	-	(103)	(103)	40
From unrestricted funds for various purposes within parish ministry					
PCCs for lay appointments	6	-	34	34	34
Clergy (new appointments)	3	8	-	8	7
Clergy (resettlement)	5	13	-	13	15
Curates (on ordination)	11	27	-	27	32
Curates (resettlement)	4	10	-	10	22
Ordinands (family maintenance)	18	192	-	192	222
From unrestricted funds:					
Ecumenical bodies	2	-	4	4	4
University Chaplaincy	1	-	2	2	4
From restricted funds for various purposes within parish ministry					
Clergy support (Clergy Society)	44	17	-	17	21
From restricted funds for educational purposes					
Educational Foundations grants to schools	3	-	218	218	221
	<u>103</u>	<u>267</u>	<u>658</u>	<u>925</u>	<u>1,125</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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14. STAFF COSTS

	2020	2019
	£,000	£,000
Employee costs during the year were as follows:		
Wages and salaries	1,377	1,389
National Insurance contributions	129	126
Pension costs	171	164
	<u>1,677</u>	<u>1,679</u>

	2020	2019
The average number of persons employed by the group during the year:		
Diocesan Secretary's Office	3	3
HR	3	3
Safeguarding	4	4
Education	6	5
Finance	4	4
Governance and Property	6	5
Ministry Development	7	8
Parish & External Relations	6	5
Archdeacon's Office	1	1
Parochial lay staff	1	3
Parochial clergy (not paid through Clergy Payroll)	1	1
Chaplaincy	4	4
Mission Areas	3	3
Strategic programme	1	2
Communications	1	1
	<u>51</u>	<u>52</u>

	2020	2019
The average number of persons employed by the group during the year based on full-time equivalents:		
Diocesan Secretary's Office	2.6	2.6
HR	1.8	1.9
Safeguarding	2.3	2.5
Education	3.7	4.0
Finance	3.8	3.8
Governance and Property	4.7	4.9
Ministry Development	4.5	4.0
Parish & External Relations	5.0	5.0
Archdeacon's Office	1.0	1.0
Parochial lay staff	0.7	2.3
Parochial clergy (not paid through Clergy Payroll)	0.8	0.8
Chaplaincy	3.3	3.6
Mission Areas	2.3	1.9
Strategic programme	1.2	1.5
Communications	1.3	1.0
	<u>39.0</u>	<u>40.8</u>

	2020	2019
The number of staff whose emoluments (including benefits in kind but excluding Pension contributions) amounted to more than £60,000 were as follows:		
£60,001 - £70,000	2	1
	<u>2</u>	<u>1</u>

Pension payments of £13,238 were made for these employees (2019: £6,997 - 1).

The Bristol Diocesan Board of Finance Limited
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14. STAFF COSTS (continued)

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Diocese. During 2020, they were:

Diocesan Secretary and Company Secretary
 Deputy Diocesan Secretary (Finance & Operations)
 Director of Ministry Development
 Head of Governance and Property
 Head of Parish and External Relations
 Director of Education

Remuneration, pensions and expenses for these 6 employees amounted to £375,194 (2019: £362,085)

Directors' emoluments

None of the Directors have received any emoluments from the DBF in respect of services performed as a Director (2019: None).

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

	Stipend	Housing
The Rev Canon R W Adams	Yes	Yes
The Ven C P Bryan	Yes	Yes
The Rev K Campion-Spall	Yes	Yes
The Rt Rev Dr L S Rayfield	No	Yes
The Ven N M Warwick	Yes	Yes
The Rev T A Wigley	Yes	No

The DBF is responsible for funding via the Church Commissioners the stipends of licenced stipendiary clergy in the Diocese, other than the bishops and cathedral staff. The DBF is also responsible for the provision of housing for stipendiary clergy in the Diocese, including the suffragan bishop, but excluding the diocesan bishop and cathedral staff.

From time to time some of the directors may be related to clergy or lay staff working in the Diocese and in receipt of a stipend and housing or salary. Travelling and other out of pocket expenses totalling £2,793 (2019 - £17,080) were paid to 3 (2019 - 8) of the Directors during the year, in respect of General Synod duties, duties as Archdeacon or Area Dean, and other diocesan duties.

Expenses totalling £1,155 were reimbursed to 3 Directors in relation to clergy in-service training during 2019. These grants were paid to the individuals as clergy of the Diocese as part of the normal policy of the DBF. No expenses in this respect were incurred in 2020. In 2019 one director received a resettlement grant of £2,477 as Archdeacon.

Professional indemnity insurance has been taken out to protect the Trustees. This is included in an insurance policy covering the Diocesan Office and staff, Diocesan Synod and the DBF's boards and committees, at an overall cost of £14,938 (2019 - £15,052).

Clergy costs

The DBF paid an average of 125 (2019: 115) stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese, and the costs were as follows:

	2020	2019
	£,000	£,000
Stipends	3,288	2,983
National Insurance contributions	271	242
Apprenticeship Levy	15	14
Pension costs – current year	823	742
Pension costs – deficit reduction	350	315
	4,747	4,296

The stipends of the Diocesan Bishop and Suffragan Bishops are funded by the Church Commissioners and are in the range £37,670 - £46,560 (2019 range £36,931 - £45,274). The annual rate of stipend, funded by the DBF, payable to Archdeacons in 2020 was in the range £36,830 - £38,239 (2019 range £36,830 - £38,239) and other DBF funded clergy who were Trustees were paid stipends in the range of £27,079 - £28,420 (2019 range £27,079 – £28,420). The estimated value to the occupant, of church provided housing in 2020 was £11,079 (2019 - £11,079).

During 2020, the DBF contributed to the Housing Allowance and incremental stipendiary increase to Residentiary Canon for 1 clergy member at a total of £14,760 (2019: £13,567).

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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15. ANALYSIS OF TRANSFERS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	Endowment Funds
	General £,000	Designated £,000	£,000	£,000
Use of income from Diocesan Stipends Fund to pay for stipends	293	-	(293)	-
Capital grants for Resourcing churches		197	(197)	-
	<u>293</u>	<u>197</u>	<u>(490)</u>	<u>-</u>
	<u><u>293</u></u>	<u><u>197</u></u>	<u><u>(490)</u></u>	<u><u>-</u></u>

16. TANGIBLE FIXED ASSETS – LAND AND BUILDINGS

	£,000	2020 £,000	£,000	2019 £,000
Endowment funds				
Benefice houses				
As at 1 st January	18,641		18,892	
Additions	-		5	
Less disposals	(348)		(256)	
As at 31 st December	<u>18,293</u>		<u>18,641</u>	
Glebe properties				
As at 1 st January	3,303		3,651	
Additions	-		-	
Less disposals	(96)		(348)	
As at 31 st December	<u>3,207</u>		<u>3,303</u>	
Total properties held for permanent funds		21,500		21,944
Restricted funds				
Other properties				
As at 1 st January and 31 st December	<u>128</u>		<u>128</u>	
Total properties held for restricted funds		128		128
Unrestricted funds				
Other properties				
As at 1 st January	8,138		7,409	
Additions	-		999	
Transfer from endowment fund	-		-	
Less disposals	(272)		(270)	
As at 31 st December	<u>7,866</u>		<u>8,138</u>	
Resourcing churches				
As at 1 st January	3,673		2,437	
Additions	598		1,236	
Less disposals	-		-	
As at 31 st December	<u>4,271</u>		<u>3,673</u>	
Total properties held for unrestricted funds		12,137		11,811
Total land and buildings		<u><u>£33,765</u></u>		<u><u>£33,883</u></u>

The Bristol Diocesan Board of Finance Limited
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All of the properties in the balance sheet are freehold. Some properties have been purchased with the help of a value linked loan from the Church Commissioners; when disposed of, the appropriate share of the net sale proceeds will be remitted to the Commissioners, and the related loan liability thereby extinguished. The value of such properties included above amounts to £460,575 (2019 - £460,575). Of the total land and buildings at 31st December 2020, 17,377,275 is valued at cost (2019 - £17,472,774) and the remainder at valuation. Properties are subject to a five-year cycle of survey and consequent repairs are charged to the income and expenditure account. The Directors consider that depreciation of the buildings element of these properties is therefore not appropriate.

17. TANGIBLE FIXED ASSETS – REFURBISHMENT COSTS

	2020 £,000	2019 £,000
Cost as at 1 st January	142	142
Cost as at 31 st December	<u>142</u>	<u>142</u>
Provision for depreciation as at 1 st January	113	99
Depreciation charges in year	15	14
Provision for depreciation as at 31 st December	<u>128</u>	<u>113</u>
Net book value as at 31 st December	<u>£14</u>	<u>£29</u>

Refurbishment costs represent the ingoing works at the Diocesan Office in Stoke Gifford in 2012.

18. TANGIBLE FIXED ASSETS – OFFICE EQUIPMENT

	2020 £,000	2019 £,000
Cost as at 1 st January	159	162
Additions in the year	-	7
Less disposals	-	(10)
Cost as at 31 st December	<u>159</u>	<u>159</u>
Provision for depreciation as at 1 st January	154	159
Depreciation charges in year	3	5
Less disposals	-	(10)
Provision for depreciation as at 31 st December	<u>157</u>	<u>154</u>
Net book value as at 31 st December	<u>£2</u>	<u>£5</u>

The Bristol Diocesan Board of Finance Limited
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19. FIXED ASSET INVESTMENTS

	2020	2019
	£,000	£,000
Valuation		
At 1 st January	30,394	25,162
Additions in the year	3,474	1,000
Disposals in the year	(998)	-
Unrealised investment (losses) / gains	2,623	4,232
	<u>35,493</u>	<u>30,394</u>
Investment Properties		
At 1 st January	3,345	3,189
Additions in the year	-	-
Disposals in the year	-	-
Unrealised investment gains / (losses)	56	156
	<u>3,401</u>	<u>3,345</u>
Total Fixed Asset Investments	<u>£38,894</u>	<u>£33,739</u>

Investments comprise:

	£,000	2020	£,000	2019
		£,000		£,000
Endowment funds				
CBF Investment Fund shares	16,524		14,373	
CBF Property Fund shares	1,049		2,005	
CBF Fixed Interest Fund	1,905		970	
	<u>19,478</u>		<u>17,348</u>	
Restricted funds				
CBF Investment Fund shares	2,988		2,483	
CBF Global Equity Fund shares	2,666		2,239	
CBF Fixed Interest Fund	768		742	
CBF Property Fund	-		352	
Managed portfolio	2,571		-	
Rent charge	0		-	
	<u>8,993</u>		<u>5,816</u>	
Unrestricted funds				
CBF Investment Fund shares	2,361		3,151	
CBF Global Equity Fund shares	4,661		3,916	
CBF Property Fund shares	-		163	
	<u>7,022</u>		<u>7,230</u>	
Total investments		<u>£35,493</u>		<u>£30,394</u>

The historic cost of the investments held at 31st December 2020 was £14,602,000 (2019 - £14,604,000).

Investment Properties comprise:

	2020	2019
	£,000	£,000
Glebe		
Agricultural Land	1,779	1,802
Non-agricultural Land	37	37
Property	294	272
Other Property	1,291	1,234
	<u>£3,401</u>	<u>£3,345</u>

The historical cost of the majority of investment properties is not known, but records are held of total additions of £7,000, of which £Nil were added in 2020 (£Nil – 2019).

The Bristol Diocesan Board of Finance Limited
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20. DEBTORS – LOANS

	<i>2020</i> <i>Due in</i> <i>one year</i> <i>£,000</i>	<i>2020</i> <i>Due after</i> <i>one year</i> <i>£,000</i>	<i>2019</i> <i>Due in</i> <i>one year</i> <i>£,000</i>	<i>2019</i> <i>Due after</i> <i>one year</i> <i>£,000</i>
Parish buildings loans	2	6	1	2
PCC St John w St Andrew Park	-	14	-	14
PCC St Michael, Stoke Gifford	94	234	-	375
PCC St Michael, Stoke Gifford	-	-	16	-
PCC Redland	25	100	25	125
PCC Castle Combe	12	15	12	25
PCC Downend	-	90	-	100
Clergy Society loans	3	3	4	6
Other loans (incl. cycle to work schemes)	1	-	1	0
	<u>137</u>	<u>462</u>	<u>59</u>	<u>647</u>
Total loans made by the DBF		<u>£599</u>		<u>£706</u>

21. DEBTORS – OTHER

	<i>2020</i> <i>£,000</i>	<i>2019</i> <i>£,000</i>
<i>All due within one year</i>		
Trade debtors	44	72
Prepayments	123	120
Debtors for parish share	41	124
Other debtors	348	640
	<u>£556</u>	<u>£956</u>
Total debtors	<u>£556</u>	<u>£956</u>

22. CASH AT BANK AND ON DEPOSIT

	<i>2020</i> <i>£,000</i>	<i>2019</i> <i>£,000</i>
Cash on hand and at bank	430	387
Central Board of Finance Deposit Funds	3,435	740
Funds held by investment managers	68	-
Diocesan Pastoral Account held by the Church Commissioners	5	6
Diocesan Stipends Fund capital account at CBF	0	0
Educational Foundations deposit and cash	1,199	1,143
Bristol Diocesan Clergy Charities deposit and cash	107	82
Fresh Expressions deposit and cash	15	4
	<u>£5,259</u>	<u>£2,362</u>
Total cash at bank and on deposit	<u>£5,259</u>	<u>£2,362</u>

23. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<i>2020</i> <i>£,000</i>	<i>2019</i> <i>£,000</i>
Trade creditors	170	274
Taxation and social security	19	18
Clergy Stipends Account	914	-
Bank loans	2,000	-
Other creditors	633	706
Loan repayments due within one year		
Diocesan Loan Scheme loans	-	-
Pension scheme liabilities		
Clergy pension scheme	364	304
Historic lay defined benefit scheme	62	62
	<u>£4,162</u>	<u>£1,364</u>
Total creditors falling due within one year	<u>£4,162</u>	<u>£1,364</u>

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24. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2020 £,000	2019 £,000
Other creditors	957	956
Loan repayments due after one year		
Diocesan Loan Scheme loans	461	525
Value linked loans	347	348
Bank loans	-	2,000
Other loans	-	-
Pension scheme liabilities		
Clergy pension scheme	99	455
Historic lay defined benefit scheme	299	294
	<u> </u>	<u> </u>
Total creditors falling due after one year	<u>£2,163</u>	<u>£4,578</u>

- (a) Loans from The Central Board of Finance's Diocesan Loan Scheme are for capital works on churches or parish properties, repayable over a maximum of 10 years from the date the loan is made, in annual instalments or at the end of the term. Remaining loan terms currently range up to 6 years. Although the DBF bears the repayment of these instalments, repayments to the DBF are in turn made by the parishes. The interest rate charged is declared monthly in arrears and is based on the average daily rate declared by the CBF Deposit Fund over the month, plus 0.55%. The aggregate amount of loans repayable in whole, or in part, after 5 years is £150,000.
- (b) The Church Commissioners' value linked loans for capital expenditure on clergy housing in parochial or diocesan ownership are of an equity nature. The appropriate equity share is repayable on the sale of the property concerned or when it ceases to be occupied by a member of the clergy or licensed lay worker, and interest is charged by the Commissioners at 4% per annum on the amount loaned initially, the rate rising annually by the increase in the Retail Prices Index. All value linked loans are currently due for repayment after 5 years.

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1st January 2020 £,000	Cash flows £,000	Other non-cash changes £,000	At 31st December 2020 £,000
Cash and cash equivalents				
Cash on deposit	1,975	2,854	-	4,829
Cash at bank and in hand	387	43	-	430
	<u>2,362</u>	<u>2,897</u>	<u>-</u>	<u>5,259</u>
Borrowings				
Debt due within one year	(1,364)	(2,740)	(59)	(4,162)
Debt due after one year	(4,578)	2,064	350	(2,163)
	<u>(5,942)</u>	<u>(674)</u>	<u>291</u>	<u>(6,325)</u>
Total	<u>(3,580)</u>	<u>2,223</u>	<u>291</u>	<u>(1,066)</u>

26. FINANCIAL INSTRUMENTS

	2020 £,000	2019 £,000
Financial assets measured at amortised cost comprise of:		
Trade debtors	44	72
Prepayments	123	120
Other debtors	389	764
Loans	599	706
	<u>1,155</u>	<u>1,662</u>
Financial liabilities measured at amortised cost comprise of:		
Trade creditors	170	274
Taxation and social security	19	18
Clergy Stipends Account	914	-
Other creditors	1,590	1,662
Loans	2,808	2,873
Pension scheme liabilities	824	1,115
	<u>6,325</u>	<u>5,942</u>

The Bristol Diocesan Board of Finance Limited
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27. SUMMARY OF FUND MOVEMENTS

	Balance at 1 st January	Income	Expenditure	Transfers	Gains and Losses	Balance at 31 st December
	£,000	£,000	£,000	£,000	£,000	£,000
ENDOWMENT FUNDS						
Diocesan Stipends Fund Capital	15,468	132	(231)	-	720	16,089
Parsonage Building Fund	22,240	860	-	-	(49)	23,051
Clergy Pensions Trust	22	-	-	-	2	24
Diocesan Mission Trust	257	-	-	-	18	275
Diocesan Education Committee Trust	18	-	-	-	1	19
Diocesan Offices endowment	292	-	-	-	20	312
Parsonages Fund	261	-	-	-	18	279
17 Oakfield Road, Clifton Trust	1,234	-	-	-	57	1,291
1Schools Maintenance Fund capital	384	-	-	-	26	410
Younghusband legacy	225	-	-	-	16	241
Gummer legacy	132	-	-	-	9	141
Sir Francis Cowlin Trust	1,735	-	-	-	119	1,854
Bristol Diocese Clergy Holiday Trust	368	-	-	-	25	393
	<u>42,636</u>	<u>992</u>	<u>(231)</u>	<u>-</u>	<u>982</u>	<u>44,379</u>
RESTRICTED FUNDS						
Diocesan Stipends Fund Income	-	308	(15)	(293)	-	-
Meridian Hall Reserve	128	-	-	-	-	128
Urban Fund Reserve	5	-	0	-	-	5
Educational Foundations Capital	1,642	-	-	-	83	1,725
Educational Foundations Income	2,797	129	(281)	-	413	3,058
Schools Maintenance Income Funds	646	32	-	-	(4)	674
Clergy Society Capital Funds	732	-	-	-	105	837
Clergy Society Accumulated Income	210	28	(17)	-	5	226
Clergy Society Holiday Trust Income	63	13	(2)	-	4	78
Uganda	10	-	(1)	-	-	9
Uganda (Deanery)	8	1	(1)	-	-	8
St Michael on the Mount Without	33	0	-	-	-	33
SMR Clergy	25	-	(20)	-	-	5
Fresh Expressions	4	20	(9)	-	-	15
15New Housing Areas Fund	-	9	(9)	-	-	-
Creative Arts	49	-	(2)	-	-	47
Release Fund	2	-	-	-	-	2
Global Partnership / Uganda Trips	(3)	-	-	-	-	(3)
Strategic Development Funding (SDF)	-	973	(790)	(197)	-	(14)
Bishop Monk's Horfield Trust Fund	-	2,518	-	-	94	2,612
Daventry Road Fund	-	189	-	-	-	189
	<u>6,351</u>	<u>4,220</u>	<u>(1,147)</u>	<u>(490)</u>	<u>700</u>	<u>9,634</u>
DESIGNATED FUNDS						
Dame Violet Wills Legacy	900	-	-	-	61	961
Pastoral Reserve	4,366	39	(19)	197	63	4,646
Diocesan Office Rental Fund – Capital	3,916	-	-	-	746	4,662
Diocesan Office Rental Fund – Income	37	128	(109)	-	-	56
Mission Fund	190	-	-	-	-	190
Growth Fund	24	-	-	-	-	24
<i>Other Specific Reserves</i>						
Tudor Cottage	(14)	-	(2)	-	-	(16)
DBE Hookmills Educational Foundation	-	-	-	-	-	-
	<u>9,419</u>	<u>167</u>	<u>(130)</u>	<u>197</u>	<u>870</u>	<u>10,523</u>
UNDESIGNATED FUNDS						
H Gummer Gifts	97	-	-	-	6	103
H H Wills Bequest	448	-	-	-	31	479
St Nicholas Hall Trust	479	-	-	-	33	512
General Reserve	7,422	8,592	(8,406)	293	57	7,958
Pension Reserve	(1,115)	-	350	-	(59)	(824)
	<u>7,331</u>	<u>8,592</u>	<u>(8,056)</u>	<u>293</u>	<u>68</u>	<u>8,228</u>
	<u>65,737</u>	<u>13,971</u>	<u>(9,564)</u>	<u>-</u>	<u>2,620</u>	<u>72,764</u>

The Bristol Diocesan Board of Finance Limited
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28. SUMMARY OF ASSETS BY FUND

	Fixed assets £,000	Investments £,000	Current assets £,000	Creditors £,000	Net assets £,000
ENDOWMENT FUNDS					
Diocesan Stipends Fund Capital	3,208	12,881	-	-	16,089
Parsonage Building Fund	18,292	4,759	-	-	23,051
Clergy Pensions Trust	-	24	-	-	24
Diocesan Mission Trust	-	275	-	-	275
Diocesan Education Committee Trust	-	19	-	-	19
Diocesan Offices endowment	-	312	-	-	312
Parsonages Fund	-	279	-	-	279
17 Oakfield Road, Clifton Trust	-	1,291	-	-	1,291
Schools Maintenance Fund capital	-	410	-	-	410
Younghusband legacy	-	241	-	-	241
Gummer legacy	-	141	-	-	141
Sir Francis Cowlin Trust	-	1,854	-	-	1,854
Bristol Diocese Clergy Holiday Trust	-	393	-	-	393
	<u>21,500</u>	<u>22,879</u>	<u>-</u>	<u>-</u>	<u>44,379</u>
RESTRICTED FUNDS					
Diocesan Stipends Fund Income	-	-	-	-	-
Meridian Hall Reserve	128	-	-	-	128
Urban Fund Reserve	-	-	5	-	5
Educational Foundations Capital	-	1,386	339	-	1,725
Educational Foundations Income	-	3,521	758	(1,221)	3,058
Schools Maintenance Income Funds	-	497	177	-	674
Clergy Society Capital Funds	-	837	-	-	837
Clergy Society Accumulated Income	-	122	104	0	226
Clergy Society Holiday Trust Income	-	59	19	-	78
Uganda	-	-	9	-	9
Uganda (Deanery)	-	-	8	-	8
St Michael on the Mount Without	-	-	33	-	33
SMR Clergy	-	-	5	-	5
Fresh Expressions	-	-	15	-	15
New Housing Areas Fund	-	-	-	-	-
Creative Arts	-	-	47	-	47
Release Fund	-	-	2	-	2
Global Partnership / Uganda Trips	-	-	(3)	-	(3)
Strategic Development Funding (SDF)	-	-	(14)	-	(14)
Bishop Monk's Horfield Trust Fund	-	2,571	41	-	2,612
Daventry Road Fund	-	-	189	-	189
	<u>128</u>	<u>8,993</u>	<u>1,734</u>	<u>(1,221)</u>	<u>9,634</u>
DESIGNATED FUNDS					
Dame Violet Wills Legacy	1	960	-	-	961
Pastoral Reserve	4,292	253	101	-	4,646
Diocesan Office Rental Fund – Capital	-	4,662	-	-	4,662
Diocesan Office Rental Fund – Income	-	-	56	-	56
Mission Fund	-	-	190	-	190
Growth Fund	-	-	24	-	24
<i>Other Specific Reserves</i>					
Tudor Cottage	-	-	(16)	-	(16)
DBE Hookmills Educational Foundation	-	-	0	-	0
	<u>4,293</u>	<u>5,875</u>	<u>355</u>	<u>-</u>	<u>10,523</u>
UNDESIGNATED FUNDS					
H Gummer Gifts	-	103	-	-	103
H H Wills Bequest	-	479	-	-	479
St Nicholas Hall Trust	-	512	-	-	512
General Reserve	7,860	53	4,324	(4,281)	7,958
Pension Reserve	-	-	-	(824)	(824)
	<u>7,860</u>	<u>1,147</u>	<u>4,324</u>	<u>(5,105)</u>	<u>8,228</u>
	<u>33,781</u>	<u>38,894</u>	<u>6,414</u>	<u>(6,325)</u>	<u>72,764</u>

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29. DESCRIPTION OF FUNDS

ENDOWMENT FUNDS

(a) **Diocesan Stipends Fund Capital**

This fund represents the value of glebe property and investments at the balance sheet date. The account is governed by the Diocesan Stipends Funds Measure 1953 as amended by the Endowments and Glebe Measure 1976, the National Institutions Measure 1998, and the Miscellaneous Provisions Measure 1992. It represents the accumulated sale proceeds of glebe property, sale proceeds of parsonage houses and surplus benefice endowments following pastoral reorganisation. The main function of the fund is to produce income for stipends, but it may also be used for other purposes including: acquiring glebe property, developing and protecting glebe amenities, discharging loans and levies on glebe, improving parsonage houses and discharging any loans made by the Church Commissioners under the Endowments and Glebe Measure 1976. The funds may be invested in any investments fund or deposit fund constituted under the Church Funds Investment Measure 1958 or in any investments in which the trustees may invest under the general power of investment in section 3 of the Trustee Act 2000.

(b) **Parsonage Building Fund**

Parsonage building funds represent resources restricted to provision of benefice houses in the Diocese. They are represented by the benefice houses or by sale proceeds of former benefice houses held on suspense by the Church Commissioners. Although benefice houses are vested in incumbents for the time being of the benefices concerned, the DBF is obliged to maintain them, to ensure that there are sufficient houses for the pastoral structure of the Diocese, and receives the sale proceeds of benefice houses surplus to requirements into its pastoral reserve.

(c) **Other permanent endowments**

Fund	Income purpose
Clergy Pensions Trust	To defray the cost of clergy pensions
Diocesan Mission Trust	Towards social responsibility work in the Diocese
Diocesan Education Committee Trust	Towards the work of the Board of Education
Diocesan Offices endowment	Towards the maintenance of Diocesan Offices
Parsonages Fund	Towards the maintenance of parsonage houses in the Diocese
17 Oakfield Road, Clifton Trust	Towards the augmentation of stipends and general ecclesiastical purposes in the parish of Christ Church, Clifton
Schools Maintenance Fund capital	Maintenance of CE voluntary aided schools in the Diocese
Younghusband legacy	Towards the augmentation of stipends
Gummer legacy	Towards the augmentation of stipends
Sir Francis Cowlin Trust	For the general purposes of the Bristol Diocesan Board of Finance
Bristol Diocese Clergy Holiday Trust	To assist with the holiday expenses of clergy

RESTRICTED FUNDS

(a) **Diocesan Stipends Fund Income**

Subject to any charges imposed by scheme or order the fund shall be applied to: provide or augment stipends of incumbents, assistant curates and others engaged in the cure of souls in the Diocese; meet expenses incurred in making improvements to parsonage houses; pay class 1 National Insurance contributions in respect of ministers not employed under a contract of service; defray sequestrators' expenses.

(b) **Meridian Hall Reserve**

This reserve represents the properties known collectively as Meridian Hall which are held on trust for use as a hostel for overseas students.

(c) **Urban Fund Reserve**

This reserve was originally created by the receipt of donations for funding projects in urban areas of the Diocese, such as the projects originally supported by the Bishop of Bristol's Urban Fund and was augmented in 1995 by a donation of the residual funds of the Bishop of Bristol's Urban Fund. The reserve is held as cash on deposit.

(d) **Educational Foundations Capital Funds**

These funds result from the sale of redundant Church of England voluntary aided school property as directed by a Scheme under section 86(1) of the Education Act 1944, and subsequent orders made under section 2 of the Education Act 1973. They may be used for the provision, improvement or enlargement of Church of England voluntary aided schools in the Diocese of Bristol, and in the payment of any expenses incurred in the administration of the various foundations. In 2013, the constitution of these funds was amended to widen its scope to include academies and other Church of England schools in the Diocese.

(e) **Educational Foundations Income Funds**

These funds result from accumulations of income arising from Educational Foundations capital funds. They may be used for the same purposes as the capital funds above.

(f) **Schools Maintenance Income Funds**

These funds result from accumulations of income arising from the permanent endowment designated for maintenance of Church of England voluntary aided schools in the Diocese.

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(g) **Clergy Society Capital Funds**

These funds form the capital of the Bristol (Diocesan) Clergy Society and the Bristol Diocesan Sustentation Trust, both of which funds are part of the Bristol Diocesan Clergy Charities. They may be used for relieving diocesan clergy and their dependants who are in conditions of need, hardship or distress; and in advancing the education of children of diocesan clergy. The funds were substantially augmented in 2009, by the sale of a house, purchased in 1976 to provide accommodation for a retired clergyman, and no longer needed.

(h) **Clergy Society Accumulated Income Funds**

These funds result from accumulations of income arising from the Clergy Society capital funds. They may be used for the same purposes as the capital funds above.

(i) **Clergy Society Holiday Trust Accumulated Income Funds**

This trust originates in a gift of the late Horace Gummer in 1923, and its object is to assist with the holiday expenses of clergy, with preference being given to diocesan clergy; and, if the income cannot be applied as above, to relieve diocesan clergy and their dependants who are in conditions of need, hardship or distress.

(j) **Uganda Funds**

These funds are from a legacy, received in 2015, to be used to provide scholarship funds for theological or ordination training in Uganda for those who are engaged in or preparing for service in the ministry ordained or lay of the Church of Uganda with special consideration being given to candidates from the Dioceses of Bukei, Mbale or North Mbale.

(k) **Uganda (Deanery) Funds**

These funds are held on behalf of a number of deaneries in the Diocese to support their links with the Anglican church in Uganda.

(l) **St Michael on the Mount Without**

These funds remain from those distributed to the DBF in 2007, when the Diocese took responsibility for the church.

(m) **SMR Clergy**

These funds help to defray the cost of the associate clergy at St Mary Redcliffe.

(n) **Fresh Expressions**

The Crossnet Network Church was established in 2004. It meets in a non-church setting and draws its members from a wide area. The finances of this entities are separately maintained; however, at present they have no formal status and are therefore aggregated into these accounts.

(o) **New Housing Areas Fund**

In 2010, the Diocese was awarded a grant of £500,000 from the Church Commissioners to provide ministry in new housing areas throughout the Diocese. During the early part of the year, these funds have been used to pay for a home / school link worker in Patchway, North Bristol.

(p) **Release Fund**

Release is a leadership development programme that realises the potential of leaders – it releases their energy. The programme has been made possible by the receipt of funding from an anonymous donor.

(q) **Creative Arts Fund**

This fund was established by a generous donation in 2018, with the aim of creating a fund to support and invest in engagement with the creative arts by Anglican Churches in the Diocese of Bristol.

(r) **Global Partnership / Uganda Trips Fund**

This fund represents amounts collected and disbursed in relation to trips by parishes in the Diocese to linked churches in Uganda, and other related activities.

(s) **Strategic Development Funding**

This fund represent grants awarded by the Archbishops' Council, and associated expenditure, in relation the Diocese's strategic initiatives of establishing three Mission Areas in Avonside, Yate & Fromeside and North Wiltshire and two Resourcing churches at St Nicholas, Bristol and the Pattern Church in Swindon. This fund also includes strategic capacity funding awarded to the DBF to support these strategic initiatives.

(t) **Bishop Monk's Horfield Trust Fund**

This fund was established in 2020, following the winding-up of the Bishop Monk's Horfield Trust.

(u) **Daventry Road Fund**

This fund was established in 2020, following the determination of the proceeds of a property held in trust.

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UNRESTRICTED FUNDS

- (a) **Dame Violet Wills Legacy Fund**
This fund results from a general legacy to the DBF by the late Dame Violet Wills. The DBF has designated the fund's future use for children's and youth work, and the income arising from the capital sum is used for this purpose. The funds are invested principally in the CBF Investment Fund.
- (b) **Pastoral Reserve**
The pastoral reserve results from past accumulations of general fund income, transfers and sales of property for the DBF's general use which the DBF has designated as a general building fund. It incorporates the Diocesan Pastoral Account which is governed by the Mission and Pastoral Measure 2011.
- (c) **Diocesan Office Rental Fund – Capital**
This fund is used to produce income to pay the rental of the Diocesan Office in Stoke Gifford.
- (d) **Diocesan Office Rental Fund – Income**
This is accumulated income from the capital investment. The rent-free period at the start of the lease has been spread for accounting purposes over the first 10 years of the lease.
- (e) **Mission Fund**
This reserve represents allocations received from the Church Commissioners since 2002 under the Parish Ministry and Mission scheme. This money is allocated by the DBF to mission initiatives.
- (k) **Growth Fund**
This reserve was also set aside from the General Fund surplus for 2005 and is being used to give grants to parishes, who wish to undertake new mission initiatives, but do not have sufficient funds to do so. Grants are being given over a limited period towards the employment costs of new positions, which can be shown to contribute to new mission initiatives within the parish.
- (l) **Other Specific Reserves**
A small number of reserves have been established for specific purposes, these include two small funds in respect of Tudor Cottage and the DBE Hookmills Educational Foundations.
- (m) **General Reserve**
The general reserve represents accumulations from past general fund surpluses. The reserves policy for this fund is described in the Directors' Report.
- (n) **Pension Reserve**
The pension reserve is the amount needed to make good the deficits that have arisen between the present value of the funds invested and the estimated liability in respect of two defined benefit schemes. The two schemes in question are the Church of England Funded Pension Scheme for stipendiary clergy and the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme, for lay staff, which is closed to new members. Full details are given at note 34 and recovery plans are in place to eliminate the respective deficits.

30. CAPITAL COMMITMENTS

At 31st December 2020, the DBF had authorised capital expenditure not contracted for of £Nil (2019 - £Nil). Commitments under contracts not yet completed and not accrued in the accounts amounted to £Nil (2019 - £879,000). These were in relation to the refurbishment works on the Pattern Store building in Swindon.

31. CONTINGENT LIABILITIES

At 31st December 2020, the DBF had no contingent liabilities (2019 – none).

32. OPERATING LEASES

The following total amounts due under operating leases are as follows:

	2020	2020	2019	2019
	£,000	£,000	£,000	£,000
	<i>Land & Buildings</i>	<i>Other</i>	<i>Land & Buildings</i>	<i>Other</i>
Operating leases				
Within one year	109	-	109	-
Within two to five years	27	-	136	-
After five years	-	-	-	-

33. POST BALANCE SHEET EVENTS

There were no post balance sheet events at the balance sheet date.

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34. PENSIONS

Clergy pension scheme

The DBF participates in the Church of England Funded Pension Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the DBF and other Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2020: £364,000, 2019: £330,000), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £296,000 for 2020 (2019: £1,436,000).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31st December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2%;
- RPI inflation of 3.4% pa (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% pa; and
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31st December 2018 valuation, a recovery plan was put in place until 31st December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31st December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31st December 2019 and 31st December 2020, the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2019 and over 2020 is set out in the table below.

	2020	2019
Balance sheet liability at 1 st January	759,000	2,195,000
Deficit contribution paid	-364,000	-330,000
Interest cost (recognised in SoFA)	6,000	43,000
Remaining change to the balance sheet liability* (recognised in SoFA)	62,000	-1,149,000
Balance sheet liability at 31 st December	463,000	759,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

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This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.2% pa	1.1% pa	2.1% pa
Price inflation	3.1% pa	2.8% pa	3.1% pa
Increase to total pensionable payroll	1.6% pa	1.3% pa	1.6% pa

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

Defined Benefit Scheme

Bristol Diocesan Board of Finance (the 'Employer') operates a defined benefit pension arrangement called the Bristol Diocesan Board of Finance Limited Staff Retirement Benefit Scheme (the 'Scheme'). The Scheme provides benefits based on final salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined contribution schemes operated by the Employer.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Employer must agree with the Trustees of the Scheme the contributions to be paid to meet the Statutory Funding Objective.

The most recent comprehensive actuarial valuation of the Scheme as at 31st March 2020 is currently in progress and is due to be completed no later than 30th June 2021. As part of this valuation, a new Schedule of Contributions will be agreed with the Employer which could require higher or lower contributions to be paid than under the existing Schedule of Contributions. The next valuation of the Scheme is due as at 31st March 2023.

Under the existing Schedule of Contributions, the Employer expects to pay contributions of £83,400 in the year to 31st December 2021.

There were no plan amendments, curtailments or settlements during the period.

Profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is around 18 years.

Disclosures

Figures for disclosure in accounts for period ending 31st December 2020 under FRS102. Results are shown in pounds, rounded to the nearest £1,000.

Principal actuarial assumptions

The principal assumptions used to calculate the Scheme's liabilities include:

	2020	2019
Discount rate	1.20% pa	2.10% pa
Inflation assumption (RPI)	3.10% pa	3.40% pa
Inflation assumption (CPI)	2.10% pa	2.40% pa
Pension increase (RPI max 5% (LPI) pension increases)	3.00% pa	3.30% pa
Pension increase (Revaluation in deferment (CPI))	2.10% pa	2.40% pa
Post retirement mortality	95% of S2PA with CMI 2019 projection and a long-term improvement of 1.50% pa	95% of S2PA with CMI 2017 projection and a long-term improvement of 1.50% pa
Commutation	No allowance has been made for members to take tax free cash	No allowance has been made for members to take tax free cash

Assets

The Scheme's assets are invested in One Family's Pension Accumulation Fund (99%), together with a small with-profit deferred annuity policy (1%).

The assets do not include any investments in shares or property of the Employer.

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Balance Sheet at 31st December 2020

	2020 £,000	2019 £,000
Fair value of assets	375	320
Present value of funded obligations	(736)	(676)
Net defined benefit liability at 31st December 2020	(361)	(356)

Amounts recognised in the Statement of Financial Activity over the year

	2020 £,000	2019 £,000
Current service costs	-	-
Administration costs	22	22
Interest on liabilities	14	17
Interest on assets	(7)	(8)
Past service cost	-	-
Settlement cost	-	-
Total	29	31

Remeasurements over the year

	2020 £,000	2019 £,000
Loss / (gain) on scheme assets in excess of interest	8	2
Experience losses / (gains) on liabilities	(28)	-
Losses / (gains) from changes to demographic assumptions	(16)	(5)
Losses / (gains) from changes to financial assumptions	95	77
Total remeasurements	59	74

The change in the assets over the period was:

	2020 £,000	2019 £,000
Fair value of assets at the beginning of the period	320	254
Interest on assets	7	8
Employer contributions	83	83
Contributions by Scheme participants	-	-
Benefits paid	(5)	(1)
Administration Costs	(22)	(22)
Change due to settlements	-	-
Return on plan assets less interest	(8)	(2)
Fair value of assets at the end of the period	375	320
Actual return on assets*	6	6

*Calculated using unrounded figures

The change in the Defined Benefit Obligations over the period was:

	2020 £,000	2019 £,000
Defined Benefit Obligations at the beginning of the period	676	588
Current service cost	-	-
Contributions by Scheme participants	-	-
Past service cost	-	-
Interest cost	14	17
Benefits paid	(5)	(1)
Change due to settlements	-	-
Experience (gain) / loss on defined benefit obligations	(28)	-
Changes to demographic assumptions	(16)	(5)
Changes to financial assumptions	95	77
Defined Benefit Obligations at the end of the period	736	676

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for the year ended 31st December 2020

Defined Contribution Scheme

The DBF operates a group personal pension plan (GPPP) for all new and existing employees of the Bristol Diocesan Board of Finance Ltd. As part of this scheme, the DBF contracts to pay specific contributions to an individual employee's pension fund, based on a percentage of their salary. The amount the employee will receive in the future as a pension will depend on the investment performance of the particular funds assets. The DBF has no other ongoing liability and the costs of providing the GPPP are charged to staff costs in the financial statements as the contributions payable. The total cost for the period was £122,643 (2019 - £119,495) and outstanding contributions as at 31st December 2020 amounted to £30,080 (2019 - £15,336).

35. PRIOR YEAR COMPARATIVE SOFA

	Unrestricted Funds		Restricted	Endowment	Total funds
	General £,000	Designated £,000	Funds £,000	Funds £,000	2019 £,000
Income and endowments from					
Donations					
Parish Share contributions	5,407	-	-	-	5,407
National Church institutions	378	-	1,214	-	1,592
Other donations	673	-	134	-	807
Charitable activities	329	-	-	-	329
Other activities	363	-	1	-	364
Investments	371	182	512	-	1,065
Gains on sale of assets	(9)	24	-	2,345	2,360
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total income	7,512	206	1,861	2,345	11,924
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on					
Raising funds	48	4	22	-	74
Charitable activities	8,544	112	1,050	353	10,059
Other	(1,476)	(77)	-	51	(1,502)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	7,116	39	1,072	404	8,631
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income / (expenditure) before other gains	396	167	789	1,941	3,293
Net gains on investments	420	1,041	820	2,107	4,388
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income	816	1,208	1,609	4,048	7,681
Transfer between funds	297	593	(890)	-	-
Actuarial gains / (losses) on pension schemes	(74)	-	-	-	(74)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds	1,039	1,801	719	4,048	7,607
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds as at 1st January 2019	6,292	7,618	5,632	38,588	58,130
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds as at 31st December 2019	7,331	9,419	6,351	42,636	65,737
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2020

36. RELATED PARTY TRANSACTIONS

The **Foundation of Saint Matthias** (registered charity number 311696) is administered from the DBF's registered office by its Clerk to the Trustees, who is an employee of the DBF and the DBF also provides accounting services. The Foundation made a contribution to these services of £31,001 in 2020 (2019 - £27,439). The Foundation made a grant to the DBF in 2020 of £50,000 towards the work of the Adviser to schools and education work in the Diocese (2019 - £50,000). A further grant of £6,000 (2019 - £6,000) was made to fund the work of a Further Education Development Officer.

The **Diocese of Bristol Academies Company** (DoBAC) and The **Diocese of Bristol Academies Trust** (DBAT) are separate legal entities from the DBF. From October 2020, DBAT ceased to be administered from the DBF's registered office and paid a contribution of £30,841 (2019 - £33,653) towards office space during 2020. In addition, it paid £7,675 towards other services (2019 - £19,326) and at 31st December 2020, £2,191 was owed to the DBF by DBAT (2019 - £9,997).

Trinity College (Bristol) Ltd is a theological education institution (TEI) that trains a number of ordinands sponsored by the Diocese of Bristol. It employs one of the DBF's directors. In 2020, the DBF paid Trinity College (Bristol) Ltd the sum of £174,031 for ordinand training and other related services (2019 - £172,037).

In February 1998, the Charity Commissioners issued a scheme making the DBF Trustee of the charity known as the Bristol Diocesan Clergy Charities, number 3127160. The accounts of the Bristol Diocesan Clergy Charities have been aggregated into these financial statements.

37. FUNDS HELD AS CUSTODIAN TRUSTEE

By virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners' schemes, the DBF is the Diocesan authority over certain assets held on permanent trusts, where the managing Trustees are parochial church councils or others.

These assets have not been consolidated in these financial statements, since the DBF does not control them.

Separate financial statements have been prepared to account for the DBF's stewardship of these assets, and full trust accounts for each trust are the responsibility of the managing Trustees in each case. Copies of the separate financial statements are available from the Secretary at the Registered Office of the DBF.

The financial assets held in this way can be summarised as follows:

	2020	2019
	£,000	£,000
Capital Assets		
Equities	21	21
Other fixed-interest securities	0	0
Unit trust shares	12,785	12,033
CBF Deposit Fund	1,258	1,419
Virgin Money Charity Deposits	154	154
Trust capital loans	83	96
Cash at bank	1	1
Income Assets		
Unit trust shares	290	264
CBF Deposit Fund	494	409
COIF Deposit Fund	46	46
Virgin Money Charity Deposits	9	9
Debtors	-	-
Creditors	(0)	(3)
Cash at bank	3	6
	15,144	14,455