

Diocese of Bristol

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

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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 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 (TC.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,

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 ACTUAL £'000s
	SYNOD BUDGET SOFA FORM £'000s	BUDGET ADJUSTED Note A £'000s	ACTUAL £'000s	VARIANCE TO ADJUSTED BUDGET £'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

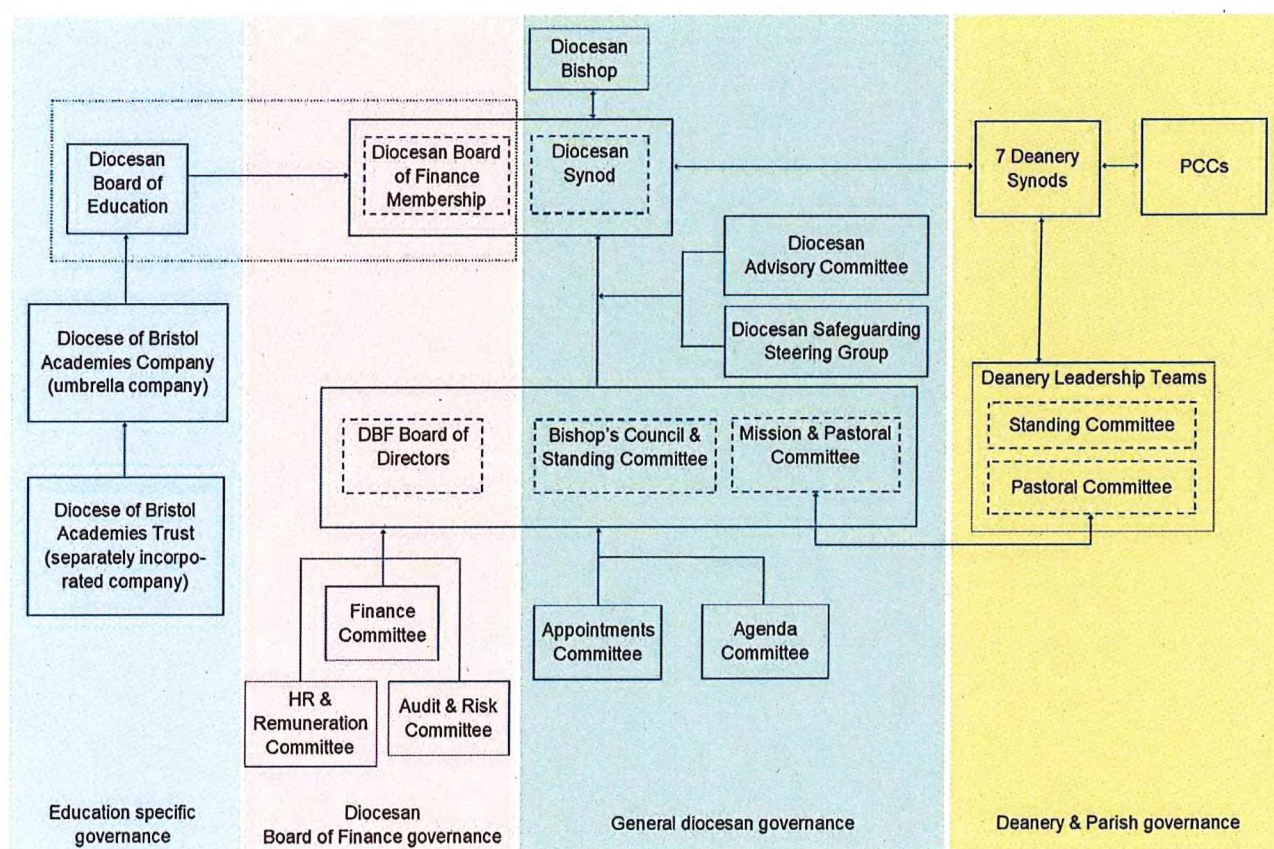
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for the year ended 31st December 2023

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.

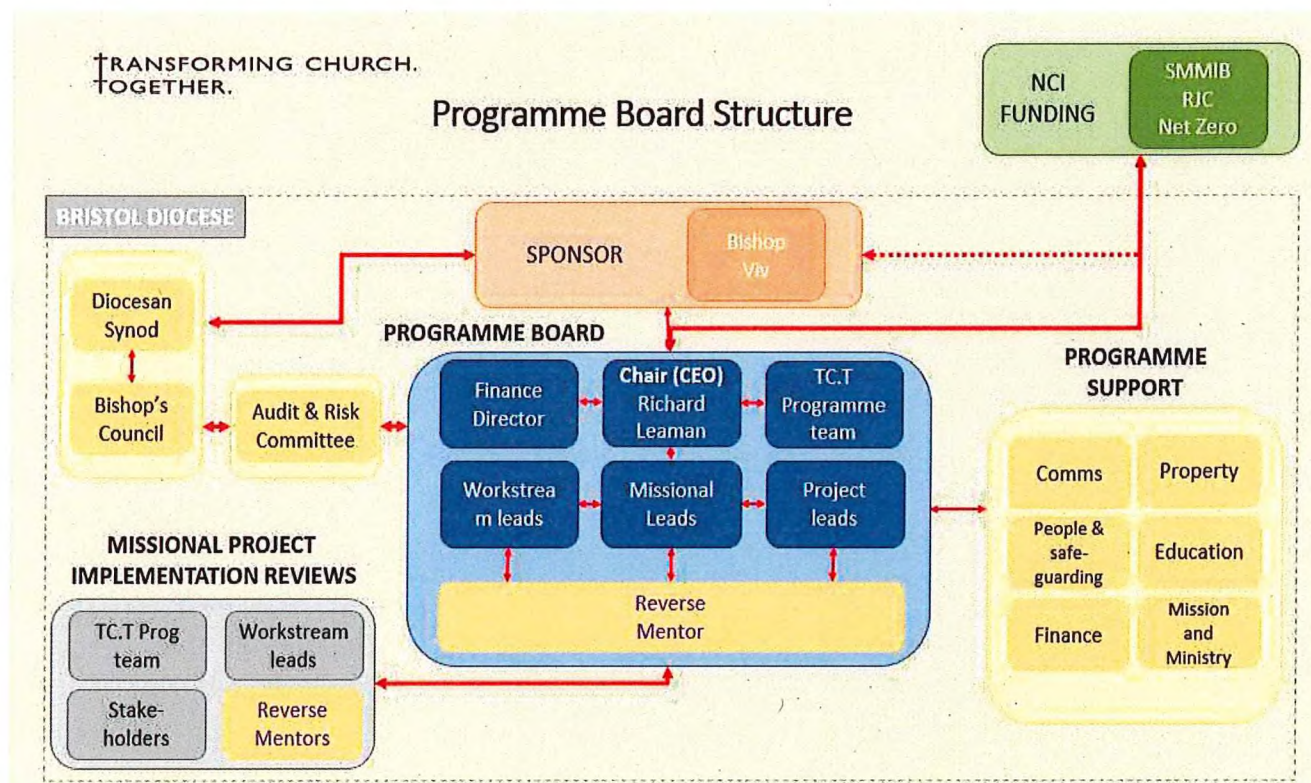
The diagram below shows the overall structure of diocesan governance and the interaction between different committees and bodies.

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 Finnamore 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
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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	Designated	Funds	Funds	Total	Total
		Funds	Funds			Funds	Funds
		£,000	£,000	£,000	£,000	£,000	£,000
Income and endowments from							
Donations	3						
Parish Share contributions		5,025	-	-	-	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 £,000	2022 £,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	(3,358)	(1,545)
NET CURRENT ASSETS		<u>3,261</u>	<u>3,638</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>78,225</u>	<u>77,836</u>
CREDITORS: amounts falling due after more than one year	24	(3,787)	(4,542)
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
		<u>19,910</u>	<u>21,165</u>
Unrestricted funds excluding pension liability			
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		<u>4,667</u>		<u>3,855</u>
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		<u>(4,447)</u>		<u>(792)</u>
Analysis of cash and cash equivalents				
Cash in hand		1,267		416
Notice deposits (less than 3 months)		3,400		3,439
		<u>4,667</u>		<u>3,855</u>

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

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.

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 General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2023 £,000	Total funds 2022 £,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 General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2023 £,000	Total funds 2022 £,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 General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2023 £,000	Total funds 2022 £,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 General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2023 £,000	Total funds 2022 £,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 General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2023 £,000	Total funds 2022 £,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 General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2023 £,000	Total funds 2022 £,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 General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2023 £,000	Total funds 2022 £,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 General £,000	Designated £,000	Restricted Funds £,000	Endowment Funds £,000	Total funds 2023 £,000	Total funds 2022 £,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>

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
	4,197	4,319

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	<u>128</u>		<u>128</u>	
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>

The Bristol Diocesan Board of Finance Limited
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	142	142
Provision for depreciation as at 1 st January	142	128
Depreciation charges in year	-	14
Provision for depreciation as at 31 st December	142	142
Net book value as at 31 st December	-	-

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	242	242
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	232	204
Net book value as at 31 st December	10	38

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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	<hr/> 40,846 <hr/>	<hr/> 40,191 <hr/>

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		<hr/> 38,068 <hr/>		<hr/> 35,526 <hr/>

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
	<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 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		319		512

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
	<u>1,633</u>	<u>816</u>
Total debtors		

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
	<u>4,667</u>	<u>3,855</u>
Total cash at bank and on deposit		

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
	<u>3,358</u>	<u>1,545</u>
Total creditors falling due within one year		

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
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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>

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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.

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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.

The Bristol Diocesan Board of Finance Limited
Notes to the Financial Statements
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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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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 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).

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Notes to the Financial Statements
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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
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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. 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.

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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	-	(16)

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	25	25

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	(23)	(161)

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	515	473

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	448	489

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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	8,100	163	1,331	(10)	9,584
Expenditure on					
Raising funds	123	15	17	-	155
Charitable activities	8,782	147	848	454	10,231
Other	(249)	1	13	-	(235)
Total expenditure	8,656	163	878	454	10,151
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	9,782	12,608	10,613	44,687	77,690
Total funds as at 31st December 2022	9,332	11,817	9,824	42,321	73,294

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Notes to the Financial Statements
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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.

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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
	17,147	17,070