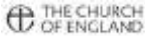




Diocese of Bristol

The Bristol Diocesan Board of Finance Limited Annual Report & Financial Statements for the year ended 31st December 2019

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The Bristol Diocesan Board of Finance Limited | Reg. in England: Charity 248502, Company 156243

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The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2019

The Trustees, who are also Directors for the purposes of company law, present their annual report, together with the audited financial statements, for the year ended 31st December 2019.

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 2019, with the requirements of the Charity's governing document, its Memorandum and Articles of Association, and with the Charities Statement of Recommended Practice (FRS102). Where possible, the guidance issued in the Diocesan Annual Report and Financial Statements Guide by the Diocesan Secretaries' Liaison Group has been followed.

LEGAL OBJECTS

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

The DBF has the following statutory responsibilities:

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

STRATEGIC AIMS

Throughout the Diocese of Bristol, the Church of England is making a significant difference to Christian witness in our communities through its ministers, parishes and church schools. The vision of the Diocese of Bristol is "Creating connections: connecting with God, connecting with each other and connecting with our communities".

Since 2016, the Diocese of Bristol has collectively pursued the priorities of making disciples, growing leaders and engaging younger generations. These have been agreed to focus parish and diocesan plans and activity.

In the same year, the Diocesan Synod adopted a Strategic Plan for 2016-20. This has three objectives – resourcing and multiplying effective mission; optimising ministry and leadership; enhancing financial resources – and several quantitative goals that reflect the objectives and priorities.

These are supported by six strategic initiatives, a small number of choices that focus on priorities and achieve goals. A visual summary of the Strategic Plan is given on page 7.

The diocesan contribution to the vision and priorities is led by the Bishop of Bristol and her Staff Team and expressed through the work of the DBF and the Diocesan Support Services under the oversight of its Board of Directors.

The DBF takes a lead in:

- Expressing the vision of the Diocese through its leadership and communicating ways in which that vision is being embodied throughout the Diocese;
- Strengthening relationships throughout the Diocese by connecting people, parishes and schools, sharing good practice and resources;
- Empowering people by recruiting, developing and deploying ministers, leaders and staff in parishes, chaplaincies, schools and the Diocesan Support Services;
- Maximising resources by stewarding the income, expenditure and assets of the DBF effectively; and
- Developing structures to support this work including those for governance, communication and management.

OBJECTIVES FOR THE YEAR

The following objectives were set for the year ended 31st December 2019.

1. Take action in relation to Archbishop's Charge to the Bishop (June 2018) and Diocesan Peer Review (February 2019);
2. Review the current Diocesan Vision, Priorities and Strategic Plan;
3. Begin development of 2021-25 Strategic Plan;
4. Recruit and induct new members of the Bishop's Staff team and Director of Education.

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

ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

Achievements against objectives

Archbishop's Charge and Diocesan Peer Review

The Archbishop's Charge to the Bishop encouraged her to give particular attention to broadening and deepening discipleship; drawing all into a sense of shared mission and ministry; reaching out to children and young people, to Black, Asian and Minority Ethnic (BAME) communities; the safeguarding of children and vulnerable adults; and building on connections with community and civic leaders, especially in the city of Bristol as a voice for the excluded and marginalised.

The second Diocesan Peer Review commended the strategic approach of the Diocese and reinforced giving attention to many of these priorities. In particular, it urged the Diocese to strengthen its approach to communications and review its resourcing of the function.

As well as integrating these into existing work and strategic initiatives, the Diocese is in the process of appointing a Dean of BAME and carried out a Communications Review which has led to a renewed approach led by an Interim Director of Communications from April 2020.

Diocesan Vision, Priorities and Strategic Plan 2021-2025

In May 2019, the new Bishop's Council met residentially with an external facilitator to start to review the Creating connections vision, priorities and 2016-20 strategic plan and think through how the next plan might be formed. As a result, a sub-group was commissioned to oversee the review and planning process.

This work focuses on gaining a clearer picture of who we are and what we want to become (a) from a purpose and identity perspective (vision and values) by engagement with internal and external stakeholders; and (b) from an organisational and resourcing perspective (strategy). Additional Strategic Capacity funding was secured to resource this process. However, plans are being reviewed

in the light of the significant changes to context and organisational strength as a result of the impact of Covid-19 on society and the Diocese.

Leadership

The year 2019 began with two acting archdeacons in post and ended with two successful appointments having been made to the Diocese's two archdeaconries. In May 2019, Revd Christopher Bryan was installed as Archdeacon of Malmesbury, taking over from the Ven Graham Archer, who had been seconded into the role from CPAS. In September 2019, the Revd Neil Warwick was installed as Archdeacon of Bristol, taking over from the Ven Michael Johnson, who later in 2019 was appointed as the Acting Dean of Bristol.

From the 1st March 2019, Ms Liz Townend took over from Mr John Swainston as Diocesan Director of Education (DDE). This coincided with the ending of the arrangement whereby the Chief Executive Officer and Deputy Chief Executive Officer of the Diocese of Bristol Academies Trust (DBAT) were part-seconded from the DBF.

In August 2019, Revd Dr Simon Taylor took up the role of Director of Ministry Development.

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.

The declaration is supported by a new Diocesan Environment and Climate Justice Policy that covers integrating care for the environment into prayer and worship, energy use and generation, travel, investments, land use, recycling, and advocacy and campaigning.

Strategic initiatives

1. 'Making disciples in your parish'

The 'Making disciples in your parish' resource offers six ways for churches to create connections and make disciples which can be put into their parish's context and tradition.

These have been highlighted through diocesan communications and resources and parishes are asked to share examples of how they do this. As well as promoting resources to equip parishes such as those from Thy Kingdom Come and Messy Church, in 2019, parishes were invited to take part in a "Journey of Invitation", which brought key resources together to help parishes invite people to explore the Christian faith.

Parishes reported encouraging progress as they increase their engagement in these key areas, including:

- 39% of parishes rated their culture of invitation as good or better, up from 18% in 2016 (*Creating a culture of invitation*);
- Half of parishes ran an evangelistic course and 800 people attended – double the number in 2016 (*Opportunities for people to explore the Christian faith*);
- 97% of parishes now run small groups of which four out of 10 attendees were members, up from three out of 10 in 2016 (*Small groups for whole-life discipleship*); and
- 54% of parishes rated the support they gave to help people identify, develop and use their gifts positively, up from 40% in 2017 (*Developing the gifts of God's people*).

N.B. – a 'parish' refers to a survey response which may represent a benefice or group of parishes.

2. Growing vocations

The Diocese is committed to increasing the number, quality and diversity of new ministers and leaders. It has the specific goal of 50% more ordinands between 2015 and 2020, from an average of seven (2013-15) to an average of 11.

17 candidates were sponsored for ordination during 2019. Twelve were Incumbent Status, eight were under 39 and two were from BAME backgrounds.

Seven candidates entered into the Formation year for Licensed Lay Ministry in 2019. Eight people were licensed and admitted as Licensed Lay Ministers in September 2019, two further LLMs were welcomed into the Diocese of Bristol, having previously been licensed and admitted in another diocese.

3. Mission Areas and Resourcing Churches

The Mission Areas and Resourcing Churches programme developed further in 2019, providing new ways of churches working together to resource mission and ministry to fulfil the diocesan vision and priorities.

North Wiltshire Mission Area became established and agreed a Mission Area plan and Revd Jema Ball was licensed as the new Lead Incumbent for Avonside.

Both St Nicholas, Bristol and Pattern Church, Swindon marked their first anniversaries as resourcing churches. Pattern Church continued to meet in a temporary venue while extensive building works were underway on the Pattern Store, a historic railway building. Over £250,000 has been given by external funders in support of the refurbishment works.

After one year, St Nicholas and Pattern Church had average weekly attendances of 300 and 170 respectively. Over 80% of attendees were not previously attending a Church of England church in the Diocese. At St Nicholas, 80% are under 35 and at Pattern Church 65% are under 45.

4. Church schools and education

There are 70 Church Schools in the Diocese of Bristol supported by the Diocese's Education Team.

Following the appointment of Liz Townend as Diocesan Director of Education, Jez Piper was appointed the CEO of the Diocese of Bristol Academies Trust (DBAT), the Diocese's separately incorporated MAT. DBAT continued to develop, notably with the opening of the Deanery CE Academy, Swindon in September 2019.

At the end of 2019, 94% of Church Schools had Good or Outstanding Ofsted judgements and 98% Good or Excellent SIAMS Church of England inspections (2018: 93% and 98%).

5. Encouraging generosity and Parish Share

During 2019, resources for enabling increased giving and fundraising options were being adopted by growing numbers of churches including contactless giving, the Parish Giving Scheme (1,104 donors across 56 churches) and through increased grant applications.

A particular giving theme of the year was the principle of 'first-fruits', asking individuals to prioritise setting aside an amount to God each month, and in a similar way asking churches to make Parish Share a priority in their budget.

The levels of Parish Share giving overall did not meet the amount committed of £5,435,000. £5,407,000 was given with 84% parishes meeting their commitment, 6% exceeding it and 10% giving less than they pledged.

Parish Share given therefore represented 90.9% of the overall budgeted figure of £5,950,000. Further details are given in the *Financial performance* section below

6. Financial plan and asset management

In June 2019, Diocesan Synod was presented with an updated Financial Plan in the light of the performance in 2018 and the likely outturn for 2019. It shows where there have been significant variances on the plan and the impact of these by 2020. The Financial Plan brings together the six strategic initiatives of the 2016-20 Financial Plan with four operational plans related to main activities, explaining their interdependence, identifying specific work and long term implications.

The DBF continued to work towards realising surplus land and property assets in order to purchase housing for additional clergy, refurbishment the two resourcing churches and generate

additional investment income to support parish ministry. Further details are given under Significant Property Transactions below.

Diocesan Support Services

The Diocesan Support Services team provide support to ministers, parishes and schools and manage the central function of DBF. In their work, staff and volunteers seek to express vision, strengthen relationships, empower people, maximise resources and develop structures across the Diocese. Staffing levels of central, paid DBF employees averaged at 32 full time equivalents (2018: 31). The change in staffing largely related to the appointment of a second post, funded by a grant from the Archbishops' Council.

The Diocesan Support Services offer a range of one-to-one support, sharing of best practice, facilitation and training. In 2019, 259 training events (2018: 288) were offered with 4,112 participants (2018: 4,593).

Parochial ministry

At the end of 2019, 210 clergy were licensed across the Diocese of Bristol's 164 parishes, 102 benefices, five Bishop's Mission Orders and Bristol Cathedral (2018: 201). Of these clergy, 130 (115) were in stipendiary ministry, 80 (86) were self-supporting ministers (SSMs). 36 (29) of the total were undertaking a training curacy. There were 16 (18) Anglican clergy licensed to institutions as chaplains, 112 (130) clergy holding the Bishop's Permission to Officiate and 200 (181) Licensed Lay Ministers (LLMs).

Overall deployment levels for incumbent posts increased of over 10% but vacancy rates rose slightly to 12.2% of total (2018: 9%). During 2019, five incumbent status posts were filled, six benefices became vacant and, at the end of 2019, eight benefices were vacant (8% of total posts).

Safeguarding

Safeguarding provision remained stable in 2019, working to the agreed Safeguarding Improvement Plan. The Independent Chair of the DSSG resigned in January 2019 a replacement has yet to be identified. The Vice Chair has provided cover as an interim chair but more recently ill health has limited their availability.

1,572 people received training (2018:1,639), 1,123 DBS applications (2018: 1,058) were recorded and 35 new cases were recorded.

Planning and preparations for the Past Case Review 2 have commenced during 2019 and the Diocese has adopted the Parish Safeguarding Dashboard which will be launched in January 2020.

The Safeguarding Annual Report is published on the Diocesan website.

FUTURE PLANS

In all that is done in the Diocese, we seek to inhabit that vision and pay particular attention to our own discipleship, seeking to be led in the way of holiness and expressing the fruit of the Spirit.

At diocesan level, a Strategic Plan for 2016-20 has been agreed to support the diocesan vision and priorities. It has a range of quantitative goals, three qualitative aims, and six strategic initiatives. In supporting that plan in 2020, at diocesan level, we will:

- a) Take action in relation to the Diocese's declaration of Climate Emergency;
- b) Conclude and review the outcomes and impact of the 2016-20 Strategic Plan;
- c) Develop vision, values and strategy for the 2020s;
- d) Respond to the immediate effects of the Covid-19 crisis and review all plans and activity in the light of its long term impact on society and the Church's role in it.

The DBF continues to work towards the Strategic Plan for 2016-20, as summarised below:



STRATEGIC PLAN 2016-20

VISION Our vision as a diocese is: <i>Creating connections – with God, each other, our communities</i>				
PRIORITIES <i>Making disciples</i> <i>Growing leaders</i> <i>Engaging younger generations</i>				
EXPECTATIONS				
 Increase weekly attendance by 1,800 people	 300 more baptisms and confirmations a year	 One in two church members part of a discipleship group	 Grow number of children in church schools	
 Increase number of ordinands by 50%	 A third more clergy taking part in leadership development	 Giving to parishes increasing by £1.4 million	 Parish Share increasing by £1 million	 Total diocesan income increasing by £1.6 million
WE WILL ACHIEVE THIS AT DIOCESAN LEVEL BY:				
Resourcing and multiplying effective mission	Optimising ministry and leadership	Enhancing financial resources		
FOCUSING ON THESE STRATEGIC CHOICES:				
Helping parishes make disciples, grow leaders and engage younger generations by spreading six key practices.	Growing Christian influence and the number of children in church schools by strengthening the Diocese of Bristol Academies Trust.	Sharing and renewing mission and ministry by establishing mission areas around the Diocese.		
Growing new leaders by resourcing recruitment and development programmes.	Increasing financial resources available for mission by supporting parishes and establishing the new approach to Parish Share.	Investing in strategic initiatives by realising surplus assets.		

FINANCIAL REVIEW

Financial Performance

In November 2018, Diocesan Synod approved DBF expenditure totalling **£9,640,000** for 2019 (2018: £8,915,000). The budget presented to Diocesan Synod showed expenditure outstripping income by **£453,000**. However, with **£320,000** of this expenditure constituting improvement works to property and being funded by the Diocesan Stipends Fund (DSF) Capital Fund, this effectively meant that the DBF's operational budget was in deficit by **£133,000**.

This budget reflected a desired level of Parish Share (the financial contributions made by parishes to the DBF) for 2019 of **£5,950,000**. This represented a 10.5% increase in Parish Share compared to the overall amount received for 2018 and aimed to keep on track the aspiration of increasing Parish Share by £1 million by 2020. By the end of 2019, parishes actually gave gifts of Parish Share totalling to **£5,407,000** (2018: £5,386,000). This amount included gifts towards earlier years of **£12,000** (2018: £20,000) and additional gifts from parishes of **£10,000** (2018: £20,000) made above and beyond the original pledges made.

In terms of other income, fees from occasional office (weddings, funerals etc.) were lower than expected, reflecting a general decline in the number of services being conducted nationally. Investment income was also lower than budgeted and this was due to delays in acquiring additional investment units in 2019, with the proceeds from surplus properties. Other income was largely on track, including grants from Strategic Development Fund (SDF), which significantly bolstered income this year, albeit off-set by corresponding expenditure, including **£593,000** for capital refurbishment works on the two resourcing churches.

In terms of expenditure, the overall cost of parochial ministry (the DBF's most significant area of spending) was overspent by £46,000 and this was mainly due to the timing of SDF funded posts. Savings were evident in the overall cost of initial ministerial training, although much of that related to an underspend in the Ministry Development team. Property costs remain a challenge and more was spent in 2019 than planned. The £25,000 overspend on Diocesan Support Services (staff) was largely due to £11,000 of additional historic pension costs and £14,000 in respect of the Bishop's Chaplain. Almost £57,000 of the overspend on Diocesan Support Services (non-staff) related to costs associated with the opening of £2 million revolving credit facility that was required to cover the DBF's cash flow requirements, with much of the remainder being due to registrar's fees and extra IT maintenance costs.

The overall result for 2019 was an operational **deficit of £671,000** (2018 £291,000 deficit), after including funding from the Diocesan Stipends Fund (DSF) Capital Fund of **£353,000** (2018: £277,000) and other funds. A comparison between the budget presented to Diocesan Synod and the actual results, for each of the main budget headings, is shown in Table 1 (on page 9).

The income and expenditure from 'other funds' relates primarily to certain ancillary DBF funds, including the DBF Clergy Charities (known as the Clergy Society), the Educational Foundations funds and two Fresh Expressions. In 2019, the Clergy Society, which provides small welfare grants to clergy on a case-by-case basis, awarded in excess of 56 grants, amounting to £21,000 (2018: £51,000).

In 2019, the Educational Foundations funds awarded grants to the Diocese of Bristol Academies Trust (DBAT) amounting to £100,000 (2018: £288,000) in support of DBAT's expanding operations and in particular the opening of the new Deanery secondary school in September 2019.

Within 'Other income' on the Statement of Financial Activities (SOFA; on page 21) is the net sale proceeds from the sale of five properties in 2019 which amounted to **£2,336,000**. "Other expenditure" disclosed in the SOFA (on page 20) includes **£1,488,000** of 'negative expenditure' constituting net pension adjustments (2018: £252,000). The various components of these pension adjustments are shown in note 10, as well as in the pension disclosures on pages 44 to 46.

Table 2 (on page 9) shows the reconciliation between the operating deficit of **£671,000** and the overall figure for total net income before investments gains of **£3,293,000** shown on the SOFA (on page 21). It details the various items of unbudgeted expenditure or income (along with the capital grants for the resourcing churches and DSF Capital contribution) that give rise to the difference between these two figures.

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TABLE 1 – ACTUAL vs. BUDGET 2019	SYNOD BUDGET £000	ACTUAL £000	VARIANCE £000	2018 ACTUAL £000
INCOME				
Parish Share	5,950	5,407	-543	5,386
Local fee income (from weddings and funerals etc)	335	280	-55	296
Grants (excluding capital grants for SDF projects – See Table 2)	1,718	1,961	+243	1,612
Investment income	842	715	-127	689
Property income	250	268	+18	271
Contribution to Diocesan Support Services	76	83	+7	106
TOTAL INCOME	9,171	8,714	-457	8,360
EXPENDITURE				
Parochial establishment	4,394	4,440	-46	4,177
Initial ministerial training	1,540	1,469	+71	1,110
Property costs	1,682	1,766	-84	1,731
Diocesan Support Services (staff)	1,164	1,189	-25	1,150
Diocesan Support Services (non-staff)	582	668	-86	587
National Church	278	278	0	269
TOTAL EXPENDITURE	9,640	9,810	-170	9,024
NET INCOME BEFORE OTHER FUNDS	-469	-1,096	-627	-664
Income from 'other funds'	264	282	+18	333
Expenditure from 'other funds' (excl. DBAT grants – See Table 2)	-248	-210	+38	(237)
Funding from capital funds	320	353	+33	277
NET INCOME / (DEFICIT)	-133	-671	-538	-291

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

TABLE 2 – Reconciliation of deficit to SOFA	£000
OVERALL OPERATING DEFICIT (as above)	-671
<u>Exceptional items (that were not budgeted)</u>	
Capital grants (received from the National Church for the Resourcing churches)	+593
Annual net actuarial pension scheme adjustments	+1,488
Grant awarded to DBAT from Educational Foundations	-100
Realised gains on sale of property & land (shown in 'Other Income' on the SOFA)	+2,336
Funding from DSF Capital funds for improvements to housing	-353
Total net income before other gains (per SOFA on Page 21)	3,293

Significant Property Transactions

The DBF spent £353,000 (2018: £277,000) on necessary improvements to benefice houses in the year from the Diocesan Stipends Capital Fund. The Diocesan Stipends Capital Fund is available for providing and improving benefice and glebe properties and when invested provides income for clergy stipends. Five properties were sold and two properties were purchased during 2019. The purchases included a curate house and a house for an associate minister post. The sales included four surplus properties and a replaced parsonage.

Balance sheet position

The Directors consider that the balance sheet together with details in note 26 show broadly that the restricted and endowment funds are held in an appropriate mix of investments and current assets given the purposes for which the funds are held.

While the net assets at the balance sheet date totalled £65,737,000 (2018: £58,130,000) it is worth highlighting that within this total are properties, mostly used for ministry, whose value amounted to £33,883,000 (2018: £32,517,000). Much of the remainder of the assets shown in the balance sheet are held in restricted funds, and cannot necessarily be used for the general purposes of the DBF.

Reserves policy

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

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

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

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

The total of unrestricted funds (designated and undesignated) at 31st December 2019 amounted to £16,750,000 (as shown in note 25), of which £7,231,000 was held in marketable securities and £9,892,000 is tied up in tangible fixed assets (as shown in note 26 on page 40), which is sufficient to meet this policy. The required reserves figure (based on the first two levels above) is estimated to equate to at least three months of general fund expenditure and would amount to approximately £2,151,000. At 31st December 2019, net current assets were £1,471,000. Successive operating deficits over recent years and the recent purchase of various properties has reduced the DBF's liquid assets and the DBF opened a £2million bank credit facility in early 2019 as a result. The DBF's cash flow continues to be monitored closely. The DBF has a number of other endowment and restricted funds which are represented by investments and fixed assets. The purpose of these funds is detailed in note 27 of the financial statements.

Grant making policy

The DBF made a grant of £278,000 (2018: £268,000) to the Archbishops' Council of the Church of England in 2019 as a contribution towards the costs of supporting the National Church Institutions, grants and contributions to other organisations and mission agencies' pension contributions; details of the amounts paid are shown in note 13. Bristol Diocesan Clergy Charities makes grants to diocesan clergy and their dependants, who are in conditions of need, hardship or distress; to advance the education of children of diocesan clergy; and to assist with the holiday expenses of clergy. Other grants made from time to time by the DBF are approved by the Directors in each year's budget.

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Loans policy

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

Investment policy

The DBF has power to invest funds not immediately required for operational purposes in such concerns, securities or properties as it thinks fit. The Directors have resolved to invest such funds within the various CBF Funds, managed by CCLA Investment Management Limited, which also operates the ethical investment policy of the National Church Institutions. Investments are placed to achieve income and long-term capital growth. The Finance Committee monitors investment performance through quarterly reports from the Investment Advisers. The majority of investments are held as permanent endowments for the long-term and therefore the Directors' investment advisers continue to recommend no material change to the current investment strategy. A number of changes to the investment portfolio have taken place in the year, largely to invest the proceeds of various property sales. The investments held and their returns during the year are set out in the following table:

	Funds at 31 st December 2019 £'000s	Proportion of portfolio	Income yield in year	Total Return* in year (gross)	Total Return in year of comparator
CBF Investment Fund	20,008	65.83%	3.04%	+23.16%	+17.06%
CBF Global Equity Fund	6,155	20.25%	3.25%	+28.64%	+22.74%
CBF Property Fund	2,520	8.29%	5.46%	+2.76%	+1.80%
CBF Fixed Interest Fund	1,711	5.63%	3.17%	+6.74%	+8.22%
	30,394	100.00%			

*Capital and income

Connected charities

The Foundation of Saint Matthias (registered charity number 311696) is administered from the DBF's registered office by its Clerk to the Trustees, who is an employee of the DBF. The Foundation paid a fee for these services of £27,439 in 2019 (2018: £26,867). The Foundation made a grant to the DBF in 2019 of £50,000 towards the work of the Adviser to schools and the resource centre in the Diocese (2018: £50,000). Further grants of £6,000 (2018: £6,000) were received to fund the Diocese's Further Education work.

As noted above, the Diocese has established The Diocese of Bristol Academies Company (DoBAC) and The Diocese of Bristol Academies Trust (DBAT), both of which are administered from the DBF's registered office. DBAT contributed £63,963 to the DBF in 2019 in relation to costs incurred on their behalf (2018: £129,499).

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

Grants received

The DBF is thankful to the various grant-making bodies that have supported the work of the Diocese of Bristol during 2019. Significant grants were received by the DBF during the period, including £1,593,000 from the Archbishops' Council; £183,000 from the Temple Ecclesiastical Charity; £94,500 from Allchurches Trust; £136,500 from Bishop Monk's Horfield Trust and £60,000 from the Bristol Archdeaconry Charity.

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

Directors

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

Charitable contributions

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

Taxation status

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

PRINCIPAL RISKS AND UNCERTAINTIES

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

In 2019, the Audit 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 attitude to 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

- Maintain current approach to Parish Share, based on the principles of *taking responsibility, being generous and having faith*;
- Sustain roll-out of stewardship initiatives and tools to encourage generosity (e.g. Parish Giving Scheme, contactless etc), with support of Giving & Resources Adviser(s), Archdeacons and other champions;
- Active engagement with parishes;
- Careful control of DBF expenditure.

Serious safeguarding case identified (past or current)

- 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 is applied by Diocesan Safeguarding Steering Group (DSSG);
- Continuation of positive safeguarding leadership and culture and swift action from Bishop down.

Failure to realise surplus assets in support of our strategic initiatives.

- Regular review of asset allocation and diversification of investments, alongside performance of investment manager;
- Careful consideration of the timing of property sales and purchases, with effective consultation on potential sales;
- Forward planning of strategic property needs, with appropriate contingency for transaction sequencing;
- Build capacity in Property Team (function) and ensure sufficient expertise is utilised in assessing development / sale opportunities.

Covid-19

The Directors have considered the potential impact that the Covid-19 pandemic will have on the DBF's current and future financial position. These include the impact on Parish Share, which is highly related to the income of parishes, and which has been affected by social-distancing measures, such as the closure of church buildings, the suspension of public worship and the prohibition of non-essential gatherings. Other income sources are also likely to be directly affected, such as fee income from postponed occasional offices and reduced investment income, as the Covid-19 measures affect the wider economy.

The DBF is taking the following steps to mitigate the threats that Covid-19 may pose to the organisation:

- Building up cash balances and progressing ongoing property sales to ensure liquidity;
- Supporting parishes to sustain ministry and mitigate the loss of income;
- 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;
- The DBF could increase borrowing or sell assets (property or investment) if required.

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

STRUCTURE AND GOVERNANCE

Organisational structure

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

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

Following election, the Board of Directors are provided with information about their duties and responsibilities as Charity Trustees and Company Directors. This training last took place in February 2019 at the beginning of the Director's three year term.

Decision making structure

The Bishop's Council and Directors met five times in 2019. All business between Directors' meetings is dealt with by the Finance Committee, which met seven times in 2019. On behalf of the Directors, the Committee deals with such matters as the annual accounts, the receipt of Parish Share and the management of the DBF's corporate property, investments and its role as Diocesan Authority for Parochial Trusts. It also deals with matters relating to the work of the Parsonages Board and the Diocesan Board of Education. It makes suggestions to the Bishop's Council about the appropriate level of stipends for the clergy and it deals, usually through the Chairman and the Remuneration Committee, with staff remuneration and conditions of service.

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

Remuneration of key management personnel

Emoluments of higher-paid employees are based on job evaluation and remuneration levels are scrutinised by the HR and Remuneration Committee, which in 2019 consisted of one DBF Director and two co-opted members with professional expertise. The HR and Remuneration Committee make recommendations to the Finance Committee and its terms of reference include remuneration and HR policy.

Public benefit

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

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

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

The Directors believe that this report, taken as a whole, provides evidence that the DBF's work in 2019 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 16 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 17.

Funds held by the DBF as trustee

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

By virtue of the Parochial Church Council (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners schemes, the DBF is the Diocesan Authority over certain assets held on permanent trusts. These assets have not been aggregated in these financial statements, since the DBF does not control them. Separate financial

The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2019

statements have been prepared to account for the DBF's stewardship of these assets, and full trust accounts for each trust are the responsibility of the managing trustees in each case. Copies of the separate financial statements are available from the Secretary at the Registered Office of the DBF.

Funds held on behalf of schools

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

The amount included in creditors as at 31st December 2019 is £1,065,000 (2018: £911,000). The income and expenditure relating to school projects not reflected in the Statement of Financial Activities amounted to £287,000 and £233,000 respectively in 2019 (2018: £397,000 and £477,000).

TRUSTEES' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and Strategic Report and the financial statements in accordance with applicable law and regulations.

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to Auditors

So far as the Directors are aware,

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

Appointment of Auditors

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

ADMINISTRATIVE DETAILS

Directors and Trustees

The following served as Directors and Trustees from 1st January 2019 to the date this report was approved (unless shown otherwise):

President: The Rt Rev Dr V F Faull, Bishop of Bristol *

Chairman: Canon A J S Lucas *

Vice Chairman: Canon C W E R Buchan *

The Rev Canon R W Adams

The Ven G Archer *, Acting Archdeacon of Malmesbury (to 4th May 2019)

The Ven C P Bryan *, Archdeacon of Malmesbury (from 7th May 2019)

The Rev K M Campion-Spall

Professor D N Clarke *

Mrs C Davison (from 1st January 2019)

Ms C E Dursley (from 14th January 2019)

Mr B A Finnamore

The Very Rev Dr D M Hoyle, Dean of Bristol (to 1st November 2019)

The Ven M Johnson *, Acting Archdeacon of Bristol (to 26th July 2019)

Canon N R Orman *

The Rt Rev Dr L S Rayfield, Bishop of Swindon

Mr J Sunderland (from 14th January 2019)

The Ven N M Warwick *, Archdeacon of Bristol (from 4th September 2019)

The Rev T A Wigley * (from 1st January 2019)

* *Members of Finance Committee in 2019*

**The Bristol Diocesan Board of Finance Limited
Annual Report of the Directors
for the year ended 31st December 2019 (cont)**

Senior management and advisers

Diocesan Secretary	Canon Oliver Home
Deputy Diocesan Secretary (Finance & Operations)	Mr Matthew Hall FCA
Head of Governance & Property	Mrs Sally Moody
Acting Head of Ministry Development (to August 2019)	Rev Chris North
Head of Parish & External Relations	Mr Chris Priddy
Director of Education (to February 2019)	Mr John Swainston
Director of Ministry Development (from August 2019)	Rev Dr Simon Taylor
Director of Education (from March 2019)	Ms Liz Townend
Company Secretary	Canon Oliver Home
Registered Office	1500 Parkway North, Stoke Gifford, Bristol, BS34 8YU.
Auditors	Mazars LLP 90 Victoria Street Bristol, BS1 6DP.
Solicitors	Harris & Harris 14 Market Place, Wells, Somerset, BA5 2RE.
Bankers	National Westminster Bank plc 40 Queen's Road, Clifton, Bristol, BS8 1BF.
Insurers	Ecclesiastical Insurance Group Beaufort House, Brunswick Road, Gloucester, GL1 1JZ.
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET.

This report, which incorporates the Strategic Report, was approved by the Directors of the Bristol Diocesan Board of Finance Limited on 7th May 2020 and signed on their behalf by

Andrew Lucas
Chairman

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

Opinion

We have audited the financial statements of The Bristol Diocesan Board of Finance Limited (the 'charity') for the year ended 31st December 2019 which comprise the Statement of Financial Activities, the Income and Expenditure account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the charity's financial statements, which is not modified, we draw your attention to the trustees' view on the impact of the COVID-19 as disclosed on page 13, and the consideration in the going concern basis of preparation on page 25 and non-adjusting post balance sheet events on page 44. Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the charity's activities, suppliers and the wider economy.

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a

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

material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

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

- adequate and proper 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 specific 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 15 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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 auditors' 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.

Signed:

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

Date: 10th June 2020

The Bristol Diocesan Board of Finance Limited
Statement of Financial Activities
for the year ended 31 December 2019

	Note	Unrestricted		Restricted	Endowment	2019	2018
		Undesignated	Designated	Funds	Funds	Total	Total
		£,000	£,000	£,000	£,000	Funds	Funds
						£,000	£,000
Income and endowments from							
Donations	3						
Parish Share contributions		5,407	-	-	-	5,407	5,386
National Church Institutions (NCIs)		378	-	1,214	-	1,592	1,245
Other donations		673	-	134	-	807	877
Charitable activities	4	329	-	-	-	329	342
Other activities	5	363	-	1	-	364	446
Investments	6	371	182	512	-	1,065	1,056
Gains/(Loss) on sale of assets	7	(9)	24	-	2,345	2,360	676
Total income		7,512	206	1,861	2,345	11,924	10,028
Expenditure on							
Raising funds	8	48	4	22	-	74	58
Charitable activities	9	8,544	112	1,050	353	10,059	9,405
Other	10	(1,476)	(77)	-	51	(1,502)	(167)
Total expenditure		7,116	39	1,072	404	8,631	9,296
Net income / (expenditure) before other gains		396	167	789	1,941	3,293	732
Net gains / (losses) on investments		420	1,041	820	2,107	4,388	(92)
Net income		816	1,208	1,609	4,048	7,681	640
Transfers between funds	15	297	593	(890)	-	-	-
Actuarial gains / (Losses) on pension schemes		(74)	-	-	-	(74)	50
Net movement in funds		1,039	1,801	719	4,048	7,607	690
Funds brought forward		6,292	7,618	5,632	38,588	58,130	57,440
Funds carried forward	25	7,331	9,419	6,351	42,636	65,737	58,130

All activities relate to continuing activities.

The notes on pages 25 to 49 form part of these financial statements.

The Bristol Diocesan Board of Finance Limited
Income and Expenditure Account
for the year ended 31 December 2019

	2019 £,000	2018 £,000
Total income	9,579	9,666
Total expenditure	(8,227)	(8,987)
Operating surplus for the year	<u>1,352</u>	<u>679</u>
Net (losses) / gains on investments	2,281	(232)
Net income for the year	<u>3,633</u>	<u>447</u>

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

The Bristol Diocesan Board of Finance Limited
Balance Sheet
as at 31 December 2019

	Note	£,000	2019 £,000	£,000	2018 £,000
FIXED ASSETS					
Tangible assets	16-18		33,916		32,563
Investments	19		33,739		28,351
			<u>67,655</u>		<u>60,914</u>
CURRENT ASSETS					
Debtors	20-21	1,662		1,659	
Cash on deposit	22	1,975		1,143	
Cash at bank and in hand	22	387		840	
		<u>4,024</u>		<u>3,642</u>	
CREDITORS: amounts falling due within one year	23	(1,364)		(2,434)	
			<u>2,660</u>		<u>1,208</u>
NET CURRENT ASSETS					
			<u>2,660</u>		<u>1,208</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			70,315		62,122
CREDITORS: amounts falling due after more than one year					
	24		(4,578)		(3,992)
NET ASSETS	26		<u>65,737</u>		<u>58,130</u>
FUNDS					
Endowment funds	25	15,124		12,007	
Endowment funds revaluation reserve		27,512		26,581	
		<u>42,636</u>		<u>38,588</u>	
Restricted funds		3,830		4,004	
Restricted funds revaluation reserve		2,521		1,628	
		<u>6,351</u>		<u>5,632</u>	
Unrestricted funds		11,936		12,267	
Revaluation reserve		5,929		4,172	
Unrestricted funds excluding pension liability		<u>17,865</u>		<u>16,439</u>	
Pension reserve	31	(1,115)		(2,529)	
			<u>16,750</u>	<u>13,910</u>	
TOTAL FUNDS			<u>65,737</u>	<u>58,130</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 7th May 2020 and signed on their behalf by

Andrew Lucas
Chairman

The Bristol Diocesan Board of Finance Limited
Cash flow statement
for the year ended 31st December 2019

	£,000	2019 £,000	£,000	2018 £,000
Net cash inflow / (outflow) from operating activities		(2,602)		(93)
Cash flows from investing activities				
Dividends, interest and rent from investments	1,066		1,056	
Proceeds from the sale of:				
Tangible fixed assets	3,235		1,367	
Fixed asset investments	-		1,492	
Purchase of:				
Tangible fixed assets for the use of the DBF	(2,248)		(4,492)	
Fixed asset investments	(1,000)		-	
	—		—	
Net cash provided by / (used in) investing activities		1,053		(577)
Cash flows from financing activities				
Loans repaid by the DBF	(73)		(68)	
New loans received by the DBF	2,000		-	
	—		—	
Net cash provided by / (used in) financing activities		1,927		(68)
		—		—
Change in cash and cash equivalents in the period		378		(738)
Cash and cash equivalents at 1st January		1,983		2,721
		—		—
Cash and cash equivalents at 31st December		2,361		1,983
		==		==
Reconciliation of net movements in funds to net cash flow from operating activities				
Net movement in funds for the year ended 31st December		3,293		732
Adjustments for:				
Depreciation charges		19		17
Dividends, interest and rent from investments		(1,066)		(1,056)
(Profit) on sale of functional assets		(2,360)		(676)
(Profit) on sale of fixed asset investments		-		-
(Increase) / decrease in debtors		(3)		(46)
(Decrease) / increase in creditors (excl. loans)		(2,485)		936
		—		—
Net cash provided by / (used in) operating activities		(2,602)		(93)
		—		—
Analysis of cash and cash equivalents				
Cash in hand		386		840
Notice deposits (less than 3 months)		1,975		1,143
		—		—
		2,361		1,983
		==		==

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2019

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 35 constitute the individual financial statements of The Bristol Diocesan Board of Finance Limited for the financial year ended 31st December 2019.

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

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

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, with the exception of freehold properties held as investment properties, which are included at their fair value as determined under the applicable valuation method as detailed in c)iii, and fixed asset investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Companies Act 2006 and applicable accounting standards (FRS102).

STATEMENT OF COMPLIANCE

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

GOING CONCERN

The directors have reviewed the anticipated performance for a period of at least twelve months from the date of approval of the financial statements and concluded that there is no material uncertainty regarding the DBF's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. However, the COVID-19 pandemic is likely to have a profound impact on the global economy, and may in turn affect the DBF. The Directors have considered the impact of this issue on the DBF's current and future financial position (see Page 14). The DBF has taken the necessary steps and has a level of assets which is sufficient to cover its committed costs for a full year. For these reasons, the Directors consider that the DBF has sufficient reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

a) Income

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

i) Parish Share

The principal source of income of the DBF is Parish Share, and amounts undertaken to be paid by parishes for the year, but not received by the year-end, are only accrued if received on or before the 31st January 2020.

ii) Rent

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

iii) Interest and dividends

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

iv) Grants and donations

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

v) Parochial fees

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

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

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

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2019

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.

b) Expenditure

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

i) Costs of raising funds

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

ii) Charitable expenditure

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

iii) Grants payable

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

iv) Support costs

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

v) Pension contributions

Current DBF staff are members of a defined contribution scheme and clergy are members of the Church of England Funded Pensions Scheme (see note 32). The pension costs charged as resources expended represent the DBF's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding for the pension schemes to which DBF participates is accrued at current value in creditors distinguished between contributions falling due within one year and after more than one year.

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

The defined benefit scheme is funded, with the assets of the scheme held separately from those of the company, in a separate trustee-administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent current and term to the scheme liabilities. The actuarial valuation is obtained at least triennially and is updated at each balance sheet date.

c) Tangible fixed assets and depreciation

i) Freehold properties

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

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

ii) Properties subject to value linked loans

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

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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iii) Investment properties

Glebe land has been valued at market value, using an appropriate value per acre, based on recent professional valuations. Other glebe properties are valued at market value, based on available third-party property valuation data.

iv) Parsonage houses

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

v) Refurbishment costs and office equipment

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

d) Other tangible fixed assets

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

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

e) Other accounting policies

i) Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

ii) Leases

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

iii) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

f) Fund balances

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

i) Unrestricted funds

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

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

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

ii) Restricted funds

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

iii) Endowment funds

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

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2019

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Benefice houses recognition

Benefice houses are legally vested in the incumbent of the benefice. However the DBF has recognised these properties as functional assets of the DBF on the basis that the DBF carries both obligations in terms of maintenance and improvement and object related benefits of ownership.

Depreciation of freehold properties

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

Revaluation of investment properties

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

Pension and other post-employment benefits

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

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

Discount rate

Further details are given in note 32.

Small values

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

2. MOVEMENT IN FUNDS FOR THE YEAR

	2019	2018
	£,000	£,000
The net income for the year is stated after charging:		
Auditors' remuneration	19	18
Auditors' non-audit remuneration	2	13
Depreciation	19	17
Operating lease charges – plant and equipment	-	2
Operating lease charges – land and buildings	109	109
Interest payable on loans wholly repayable: within one year	6	11
Interest payable on loans wholly repayable: between one and five years	23	-
Interest payable on loans wholly repayable: after more than five years	20	20
	<u> </u>	<u> </u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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3. DONATIONS

Parish Contributions

The majority of donations are collected from parishes of the diocese through the parish share system.

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2019	2018
	£,000	£,000	£,000	£,000	£,000	£,000
Pledges received from parishes	5,435	-	-	-	5,435	5,415
Shortfall in contributions	(50)	-	-	-	(50)	(69)
	<u>5,385</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,385</u>	<u>5,346</u>
Extra contributions	10	-	-	-	10	20
	<u>5,395</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,395</u>	<u>5,366</u>
Receipts for previous years	12	-	-	-	12	20
	<u>5,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,407</u>	<u>5,386</u>

National Church Institutions (NCIs)

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2019	2018
	£,000	£,000	£,000	£,000	£,000	£,000
Lower Income Communities Funding	378	-	-	-	378	366
Strategic Development Funding	-	-	1,124	-	1,124	811
Strategic Capacity Funding	-	-	41	-	41	35
New housing areas	-	-	45	-	45	26
Mission Development Funding	-	-	-	-	-	-
CEMES	-	-	4	-	4	6
Church Commissioners annuities	1	-	-	-	1	1
	<u>379</u>	<u>-</u>	<u>1,214</u>	<u>-</u>	<u>1,593</u>	<u>1,245</u>

Other donations

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2019	2018
	£,000	£,000	£,000	£,000	£,000	£,000
Temple Ecclesiastical Charity	163	-	20	-	183	176
Allchurches Trust	95	-	-	-	95	143
Bishop Monk's Horfield Trust	137	-	-	-	137	136
Bristol Archdeaconry Charity	60	-	-	-	60	61
The Foundation of St Matthias	50	-	-	-	50	50
Marshall's Charity	10	-	-	-	10	20
Other donations	6	-	39	-	45	97
For strategic initiatives	-	-	138	-	138	67
For parochial ministry	39	-	-	-	39	37
For education work	88	-	-	-	88	58
For general purposes	22	-	-	-	22	22
Towards redundant churches	3	-	-	-	3	10
Deferred income	-	-	(63)	-	(63)	-
	<u>673</u>	<u>-</u>	<u>134</u>	<u>-</u>	<u>807</u>	<u>877</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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4. CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2019	2018
	£,000	£,000	£,000	£,000	£,000	£,000
Statutory fees	280	-	-	-	280	296
SACRE and SIAMS	32	-	-	-	32	30
Schools work	14	-	-	-	14	15
Ministry courses	3	-	-	-	3	1
	<u>329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>329</u>	<u>342</u>

5. OTHER ACTIVITIES

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2019	2018
	£,000	£,000	£,000	£,000	£,000	£,000
Property rental	268	-	-	-	268	271
Staff seconded to other charities	51	-	-	-	51	117
Property services to schools	-	-	1	-	1	4
Office space to related charities	44	-	-	-	44	54
Education SLAs	-	-	-	-	-	-
	<u>363</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>364</u>	<u>446</u>

6. INVESTMENT INCOME

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2019	2018
	£,000	£,000	£,000	£,000	£,000	£,000
Dividends and interest receivable	368	157	512	-	1,037	1,028
Rents receivable	3	25	-	-	28	28
Other	-	-	-	-	-	-
	<u>371</u>	<u>182</u>	<u>512</u>	<u>-</u>	<u>1,065</u>	<u>1,056</u>

7. GAINS ON SALE OF ASSETS

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2019	2018
	£,000	£,000	£,000	£,000	£,000	£,000
Gains / (Losses) on sale of properties	(9)	24	-	2,345	2,360	676
Other sources	-	-	-	-	-	-
	<u>(9)</u>	<u>24</u>	<u>-</u>	<u>2,345</u>	<u>2,360</u>	<u>676</u>

8. FUND RAISING COSTS

	Unrestricted Funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2019	2018
	£,000	£,000	£,000	£,000	£,000	£,000
Parsonage rental costs	48	-	-	-	48	38
Glebe agent's fee	-	-	14	-	14	12
Other glebe costs	-	-	8	-	8	7
Other rental costs	-	4	-	-	4	1
	<u>48</u>	<u>4</u>	<u>22</u>	<u>-</u>	<u>74</u>	<u>58</u>

The Bristol Diocesan Board of Finance Limited
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9. CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds £,000	Endowment Funds £,000	Total funds 2019 £,000	Total funds 2018 £,000
	General £,000	Designated £,000				
Contributions to Archbishops' Council						
Training for Ministry	225	-	-	-	225	219
National Church Responsibilities	179	-	-	-	179	174
Grants and provisions	19	-	-	-	19	19
Support of mission agency pensions	3	-	-	-	3	2
CHARM	77	-	-	-	77	73
Pooling of ordinands maintenance	40	-	-	-	40	12
	<u>543</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>543</u>	<u>499</u>
Resourcing Ministry and Mission						
Parish Ministry						
Stipends, NI and pensions	3,235	-	-	-	3,235	3,133
Housing costs	1,363	-	-	353	1,716	1,676
Curate stipends, NI and pensions	522	-	-	-	522	508
Mission Area & Resourcing churches	163	-	646	-	809	405
Other parochial costs	178	3	84	-	265	289
Removal, resettlement and grants	303	-	21	-	324	247
Chaplaincy	108	-	-	-	108	74
Ecumenical support	37	-	17	-	54	86
Deanery	47	-	-	-	47	48
Support for parish ministry	1,763	109	1	-	1,873	1,792
	<u>7,719</u>	<u>112</u>	<u>769</u>	<u>353</u>	<u>8,953</u>	<u>8,258</u>
Expenditure on Education						
Support for church schools	282	-	281	-	563	648
	<u>282</u>	<u>-</u>	<u>281</u>	<u>-</u>	<u>563</u>	<u>648</u>
	<u>8,544</u>	<u>112</u>	<u>1,050</u>	<u>353</u>	<u>10,059</u>	<u>9,405</u>

10. OTHER EXPENDITURE

	Unrestricted Funds		Restricted Funds £,000	Endowment Funds £,000	Total funds 2019 £,000	Total funds 2018 £,000
	General £,000	Designated £,000				
Closed churches	12	(96)	-	-	(84)	53
Other churches	-	19	-	-	19	-
Bishop's Urban Fund	-	-	-	-	-	0
Other costs	-	-	-	51	51	32
<i>Pension scheme adjustments:</i>						
Contributions paid (BDBF Staff RBS)	(83)	-	-	-	(83)	(77)
Interest cost (BDBF Staff RBS)	31	-	-	-	31	31
Contributions paid (Clergy scheme)	(330)	-	-	-	(330)	(304)
Remeasurement (Clergy scheme)	(1,149)	-	-	-	(1,149)	67
Interest cost (Clergy scheme)	43	-	-	-	43	31
	<u>(1,476)</u>	<u>(77)</u>	<u>-</u>	<u>51</u>	<u>(1,502)</u>	<u>(167)</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2019

11. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS

	Activities Undertaken Directly £,000	Grant Funding of Activities £,000	Support Costs £,000	Total Costs 2019 £,000
Fundraising costs	74	-	-	74
Charitable activities				
Archbishops' Council	-	543	-	543
Ministry and Mission	7,128	361	1,464	8,953
Education	342	221	-	563
Other	(1,502)	-	-	(1,502)
	<u>6,042</u>	<u>1,125</u>	<u>1,464</u>	<u>8,631</u>

12. ANALYSIS OF SUPPORT COSTS

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2019 £,000	Total funds 2018 £,000
	General £,000	Designated £,000	£,000	£,000		
Diocesan Office functions	344	109	-	-	453	448
Finance and Information Services	407	-	-	-	407	321
Advisory services	142	-	-	-	142	154
Safeguarding	127	-	-	-	127	129
Communications	73	-	-	-	73	65
HR function	61	-	-	-	61	55
Parish and External Relations	75	-	-	-	75	72
Registrar and Chancellor	47	-	-	-	47	42
Archdeacon's Office	30	-	-	-	30	34
DAC	3	-	-	-	3	16
Governance and synodical costs	22	-	-	-	22	7
Central audit fees	16	-	-	-	16	15
Other professional services	8	-	-	-	8	16
	<u>1,355</u>	<u>109</u>	<u>-</u>	<u>-</u>	<u>1,464</u>	<u>1,373</u>

13. ANALYSIS OF GRANTS MADE

	Number	Individuals £,000	Institutions £,000	2019 Total £,000	2018 Total £,000
From unrestricted funds for national church responsibilities:					
Training for Ministry (Vote 1)	1	-	225	225	219
Apportionment (Votes 2-5)	4	-	278	278	268
Pooling	1	-	40	40	12
From unrestricted funds for various purposes within parish ministry					
PCCs for lay appointments	6	-	34	34	34
Clergy (new appointments)	3	7	-	7	15
Clergy (resettlement)	6	15	-	15	29
Curates (on ordination)	13	32	-	32	24
Curates (resettlement)	9	22	-	22	19
Ordinands (family maintenance)	26	222	-	222	131
From unrestricted funds:					
Ecumenical bodies	1	-	4	4	3
University Chaplaincy	1	-	4	4	4
From restricted funds for various purposes within parish ministry					
Clergy support (Clergy Society)	56	21	-	21	51
From restricted funds for educational purposes					
DBAT (Educational Foundations)	1	-	221	221	288
	<u>128</u>	<u>319</u>	<u>806</u>	<u>1,125</u>	<u>1,097</u>

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

	2019	2018
	£,000	£,000
Employee costs during the year were as follows:		
Wages and salaries	1,389	1,367
National Insurance contributions	126	126
Pension costs	164	167
	<u>1,679</u>	<u>1,660</u>

	2019	2018
The average number of persons employed by the group during the year:		
Diocesan Secretary's Office	3	3
HR	3	2
Safeguarding	4	3
Education	5	6
Finance	4	4
Governance and Property	5	5
Ministry Development	8	6
Parish & External Relations	6	6
Archdeacon's Office	1	1
Parochial lay staff	3	3
Parochial clergy (not paid through Clergy Payroll)	1	2
Chaplaincy	4	3
Mission Areas	3	3
Strategic programme	2	1
	<u>52</u>	<u>48</u>

	2019	2018
The average number of persons employed by the group during the year based on full-time equivalents:		
Diocesan Secretary's Office	2.6	2.6
HR	1.9	1.4
Safeguarding	2.5	2.5
Education	4.0	4.0
Finance	3.8	3.0
Governance and Property	4.9	4.6
Ministry Development	4.0	5.2
Parish & External Relations	6.0	6.0
Archdeacon's Office	1.0	1.2
Parochial lay staff	2.3	2.4
Parochial clergy (not paid through Clergy Payroll)	0.8	1.5
Chaplaincy	3.6	2.9
Mission Areas	1.9	2.6
Strategic programme	1.5	0.3
	<u>40.8</u>	<u>40.2</u>

	2019	2018
The number of staff whose emoluments (including benefits in kind but excluding Pension contributions) amounted to more than £60,000 were as follows:		
£60,001 - £70,000	1	1
	<u>1</u>	<u>1</u>

Pension payments of £6,997 were made for this employee (2018: £6,844).

The Bristol Diocesan Board of Finance Limited
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14. STAFF COSTS (continued)

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the trustees, for planning, directing and controlling the activities of the Diocese. During 2019, they were:

Diocesan Secretary and Company Secretary
 Deputy Diocesan Secretary (Finance & Operations)
 Director / Head of Ministry Development
 Head of Governance and Property
 Head of Parish and External Relations
 Director of Education

Remuneration, pensions and expenses for these 6 employees amounted to £362,085 (2018: £337,261)

Directors' emoluments

None of the Directors have received any emoluments from the DBF in respect of services performed as a Director (2018: None).

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

	<i>Stipend</i>	<i>Housing</i>
The Rev Canon R W Adams	Yes	Yes
The Ven G Archer	No	Yes
The Ven C P Bryan	Yes	Yes
The Rev K Campion-Spall	Yes	Yes
The Ven M Johnson	Yes	No
The Rt Rev Dr L S Rayfield	No	Yes
The Ven N M Warwick	Yes	Yes
The Rev T A Wigley	Yes	No

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

From time to time some of the directors may be related to clergy or lay staff working in the Diocese and in receipt of a stipend and housing or salary. Travelling and other out of pocket expenses totalling £17,080 (2018 - £14,349) were paid to 8 (2018 - 6) of the Directors during the year, in respect of General Synod duties, duties as Archdeacon or Area Dean, and other diocesan duties.

Expenses totalling £1,155 (2018 - £290) were reimbursed to three Directors (2018 – 1) in relation to clergy in-service training during 2019. These grants were paid to the individuals as clergy of the Diocese as part of the normal policy of the DBF. One director received a resettlement grant of £2,477 as Archdeacon (2018 - £nil). In addition, no Directors received any payments in respect of occasional offices in 2018 (2018 – £nil).

Professional indemnity insurance has been taken out to protect the Trustees. This is included in an insurance policy covering the Diocesan Office and staff, Diocesan Synod and the DBF's boards and committees, at an overall cost of £15,052 (2018 - £18,264).

Clergy costs

The DBF paid an average of 115 (2018: 106) stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese, and the costs were as follows:

	2019	2018
	£,000	£,000
Stipends	2,983	2,726
National Insurance contributions	242	222
Apprenticeship Levy	14	12
Pension costs – current year	742	626
Pension costs – deficit reduction	315	342
	4,296	3,928

The stipends of the Diocesan Bishop and Suffragan Bishops are funded by the Church Commissioners and are in the range £36,931 - £45,274 (2018 range £36,210 - £44,380). The annual rate of stipend, funded by the DBF, payable to Archdeacons in 2019 was in the range £36,100 -- £37,489 (2018 range £35,387 – £36,754) and other DBF funded clergy who were Trustees were paid stipends in the range of £26,548 - £27,862 (2018 range £26,027 – £27,315). The Archbishops' Council has estimated the value to the occupant, gross of income tax and national insurance, of church provided housing in 2019 at £10,861 (2018 - £10,648).

During 2019, the Acting Archdeacon of Malmesbury was seconded from CPAS, which has been reimbursed £13,522 (2018 - £9,296) for this arrangement. This arrangement came to an end in May 2019. The DBF contributed to the Housing Allowance and incremental stipendiary increase to Residentiary Canon for 1 clergy member at a total of £13,567 (2018: £nil).

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2019

15. ANALYSIS OF TRANSFERS BETWEEN FUNDS

	Unrestricted Funds		Restricted	Endowment
	General	Designated	Funds	Funds
	£,000	£,000	£,000	£,000
Use of income from Diocesan Stipends Fund to pay for stipends	291	-	(291)	-
Capital grants from SDF for Resourcing churches	-	593	(593)	-
Transfer from SDF funds to cover programme management costs in 2018	6	-	(6)	-
	<u>297</u>	<u>593</u>	<u>(890)</u>	<u>-</u>
	=====	=====	=====	=====

16. TANGIBLE FIXED ASSETS – LAND AND BUILDINGS

	£,000	2019 £,000	£,000	2018 £,000
Endowment funds				
Benefice houses				
As at 1 st January	18,892		17,829	
Additions	5		1,411	
Transfer to unrestricted fund	-		(220)	
Less disposals	(256)		(128)	
As at 31 st December	<u>18,641</u>		<u>18,892</u>	
	=====		=====	
Glebe properties				
As at 1 st January	3,651		3,978	
Additions	-		-	
Less disposals	(348)		(327)	
As at 31 st December	<u>3,303</u>		<u>3,651</u>	
	=====		=====	
Total properties held for permanent funds		21,944		22,543
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	7,409		6,782	
Additions	999		643	
Transfer from endowment fund	-		220	
Less disposals	(270)		(236)	
As at 31 st December	<u>8,138</u>		<u>7,409</u>	
	=====		=====	
Resourcing churches				
As at 1 st January	2,437		-	
Additions	1,236		2,437	
Less disposals	-		-	
As at 31 st December	<u>3,673</u>		<u>2,437</u>	
	=====		=====	
Total properties held for unrestricted funds		11,811		9,846
		=====		=====
Total land and buildings		<u>£33,883</u>		<u>£32,517</u>
		=====		=====

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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All of the properties in the balance sheet are freehold. Some properties have been purchased with the help of a value linked loan from the Church Commissioners; when disposed of, the appropriate share of the net sale proceeds will be remitted to the Commissioners, and the related loan liability thereby extinguished. The value of such properties included above amounts to £460,575 (2018 - £460,575). Of the total land and buildings at 31st December 2019, 17,472,774 is valued at cost (2018 - £15,991,896) 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

	2019 £,000	2018 £,000
Cost as at 1 st January	142	142
Cost as at 31 st December	<u>142</u>	<u>142</u>
Provision for depreciation as at 1 st January	99	85
Depreciation charges in year	14	14
Provision for depreciation as at 31 st December	<u>113</u>	<u>99</u>
Net book value as at 31 st December	<u>£29</u>	<u>£43</u>

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

18. TANGIBLE FIXED ASSETS – OFFICE EQUIPMENT

	2019 £,000	2018 £,000
Cost as at 1 st January	162	354
Additions in the year	7	-
Less disposals	(10)	(192)
Cost as at 31 st December	<u>159</u>	<u>162</u>
Provision for depreciation as at 1 st January	159	348
Depreciation charges in year	5	3
Less disposals	(10)	(192)
Provision for depreciation as at 31 st December	<u>154</u>	<u>159</u>
Net book value as at 31 st December	<u>£5</u>	<u>£3</u>

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Notes to the Accounts
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19. FIXED ASSET INVESTMENTS

	2019	2018
	£,000	£,000
Valuation		
At 1 st January	25,162	26,998
Additions in the year	1,000	-
Disposals in the year	-	(1,223)
Unrealised investment (losses) / gains	4,232	(613)
	<hr/>	<hr/>
At 31 st December	30,394	25,162
	<hr/>	<hr/>
Investment Properties		
At 1 st January	3,189	2,937
Additions in the year	-	-
Disposals in the year	-	-
Unrealised investment gains / (losses)	156	252
	<hr/>	<hr/>
At 31 st December	3,345	3,189
	<hr/>	<hr/>
Total Fixed Asset Investments	£33,739	£28,351
	<hr/> <hr/>	<hr/> <hr/>

Investments comprise:

	£,000	2019	£,000	2018
		£,000		£,000
Endowment funds				
CBF Investment Fund shares	14,373		10,868	
CBF Property Fund shares	2,005		1,988	
CBF Fixed Interest Fund	970			
	<hr/>	17,348	<hr/>	12,856
Restricted funds				
CBF Investment Fund shares	2,483		2,092	
CBF Global Equity Fund shares	2,239		1,817	
CBF Fixed Interest Fund	742		725	
CBF Property Fund	352		361	
Rent charge	-		0	
	<hr/>	5,816	<hr/>	4,995
Unrestricted funds				
CBF Investment Fund shares	3,151		3,894	
CBF Global Equity Fund shares	3,916		3,178	
CBF Property Fund shares	163		239	
	<hr/>	7,230	<hr/>	7,311
Total investments		£30,394		£25,162
		<hr/> <hr/>		<hr/> <hr/>

The historic cost of the investments held at 31st December 2019 was £14,604,000 (2018 - £13,604,000).

Investment Properties comprise:

	2019	2018
	£,000	£,000
Glebe		
Agricultural Land	1,802	1,709
Non-agricultural Land	37	37
Property	272	245
Other Property	1,234	1,198
	<hr/>	<hr/>
	£3,345	£3,189
	<hr/> <hr/>	<hr/> <hr/>

The historical cost of the majority of investment properties is not known, but records are held of total additions of £7,000, of which £Nil were added in 2019 (£Nil – 2018).

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

	<i>2019</i> <i>Due in</i> <i>one year</i> <i>£,000</i>	<i>2019</i> <i>Due after</i> <i>one year</i> <i>£,000</i>	<i>2018</i> <i>Due in</i> <i>one year</i> <i>£,000</i>	<i>2018</i> <i>Due after</i> <i>one year</i> <i>£,000</i>
Parish buildings loans	1	2	3	2
PCC St John w St Andrew Park	-	14	-	14
PCC Penhill	-	-	-	5
PCC St Paul, Chippenham	-	-	3	-
PCC St Michael, Stoke Gifford	-	375	-	375
PCC St Michael, Stoke Gifford	16	-	62	16
PCC Redland	25	125	25	150
PCC Castle Combe	12	25	-	49
PCC Downend	-	100	-	100
Clergy Society loans	4	6	4	7
Other loans (incl. cycle to work schemes)	1	0	-	0
	<u>59</u>	<u>647</u>	<u>97</u>	<u>718</u>
Total loans made by the DBF		<u>£706</u>		<u>£815</u>

21. DEBTORS – OTHER

	<i>2019</i> <i>£,000</i>	<i>2018</i> <i>£,000</i>
<i>All due within one year</i>		
Trade debtors	72	122
Prepayments	120	113
Debtors for parish share	124	85
Other debtors	640	524
	<u>£956</u>	<u>£844</u>
Total debtors	<u>£956</u>	<u>£844</u>

22. CASH AT BANK AND ON DEPOSIT

	<i>2019</i> <i>£,000</i>	<i>2018</i> <i>£,000</i>
Cash on hand and at bank	387	840
Central Board of Finance Deposit Funds	740	283
Diocesan Pastoral Account held by the Church Commissioners	6	4
Diocesan Stipends Fund capital account at CBF	0	0
Educational Foundations deposit and cash	1,143	780
Bristol Diocesan Clergy Charities deposit and cash	82	61
Fresh Expressions deposit and cash	4	15
	<u>£2,362</u>	<u>£1,983</u>
Total cash at bank and on deposit	<u>£2,362</u>	<u>£1,983</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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23. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£,000	£,000
Trade creditors	274	428
Taxation and social security	18	42
Clergy Stipends Account	-	726
Other creditors	706	799
Loan repayments due within one year		
Diocesan Loan Scheme loans	-	73
Pension scheme liabilities		
Clergy pension scheme	304	304
Historic lay defined benefit scheme	62	62
	<hr/>	<hr/>
Total creditors falling due within one year	£1,364	£2,434
	<hr/> <hr/>	<hr/> <hr/>

24. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2019	2018
	£,000	£,000
Other creditors	956	956
Loan repayments due after one year		
Diocesan Loan Scheme loans	525	525
Value linked loans	348	348
Bank loans	2,000	-
Other loans	-	-
Pension scheme liabilities		
Clergy pension scheme	455	1,891
Historic lay defined benefit scheme	294	272
	<hr/>	<hr/>
Total creditors falling due after one year	£4,578	£3,992
	<hr/> <hr/>	<hr/> <hr/>

- (a) Loans from The Central Board of Finance's Diocesan Loan Scheme are for capital works on churches or parish properties, repayable over a maximum of 10 years from the date the loan is made, in annual instalments or at the end of the term. Remaining loan terms currently range up to 6 years. Although the DBF bears the repayment of these instalments, repayments to the DBF are in turn made by the parishes. The interest rate charged is declared monthly in arrears and is based on the average daily rate declared by the CBF Deposit Fund over the month, plus 0.55%. The aggregate amount of loans repayable in whole, or in part, after 5 years is £150,000.
- (b) The Church Commissioners' value linked loans for capital expenditure on clergy housing in parochial or diocesan ownership are of an equity nature. The appropriate equity share is repayable on the sale of the property concerned or when it ceases to be occupied by a member of the clergy or licensed lay worker, and interest is charged by the Commissioners at 4% per annum on the amount loaned initially, the rate rising annually by the increase in the Retail Prices Index. All value linked loans are currently due for repayment after 5 years.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2019

25. SUMMARY OF FUND MOVEMENTS

	Balance at 1 st January	Income	Expenditure	Transfers	Gains and Losses	Balance at 31 st December
	£,000	£,000	£,000	£,000	£,000	£,000
ENDOWMENT FUNDS						
Diocesan Stipends Fund Capital	13,397	881	(352)	-	1,542	15,468
Parsonage Building Fund	20,880	1,464	(52)	-	(52)	22,240
Clergy Pensions Trust	19	-	-	-	3	22
Diocesan Mission Trust	217	-	-	-	40	257
Diocesan Education Committee Trust	15	-	-	-	3	18
Diocesan Offices endowment	246	-	-	-	46	292
Parsonages Fund	220	-	-	-	41	261
17 Oakfield Road, Clifton Trust	1,198	-	-	-	36	1,234
Schools Maintenance Fund capital	323	-	-	-	61	384
Younghusband legacy	190	-	-	-	35	225
Gummer legacy	111	-	-	-	21	132
Sir Francis Cowlin Trust	1,462	-	-	-	273	1,735
Bristol Diocese Clergy Holiday Trust	310	-	-	-	58	368
	<u>38,588</u>	<u>2,345</u>	<u>(404)</u>	<u>-</u>	<u>2,107</u>	<u>42,636</u>
RESTRICTED FUNDS						
Diocesan Stipends Fund Income	-	313	(22)	(291)	-	-
Meridian Hall Reserve	128	-	-	-	-	128
Urban Fund Reserve	5	-	-	-	-	5
Educational Foundations Capital	1,464	-	-	-	178	1,642
Educational Foundations Income	2,482	121	(277)	-	471	2,797
Schools Maintenance Income Funds	592	35	-	-	19	646
Clergy Society Capital Funds	603	-	-	-	129	732
Clergy Society Accumulated Income	185	28	(18)	-	15	210
Clergy Society Holiday Trust Income	46	13	(4)	-	8	63
Uganda	10	-	-	-	-	10
Uganda (Deanery)	7	1	-	-	-	8
St Michael on the Mount Without	33	-	-	-	-	33
SMR Clergy	24	20	(19)	-	-	25
Fresh Expressions	16	10	(22)	-	-	4
New Housing Areas Fund	-	45	(45)	-	-	-
Creative Arts	38	11	-	-	-	49
Release Fund	3	-	(1)	-	-	2
Global Partnership / Uganda Trips	(4)	19	(18)	-	-	(3)
Strategic Development Funding (SDF)	-	1,245	(646)	(599)	-	-
	<u>5,632</u>	<u>1,861</u>	<u>(1,072)</u>	<u>(890)</u>	<u>820</u>	<u>6,351</u>
DESIGNATED FUNDS						
Dame Violet Wills Legacy	758	-	-	-	142	900
Pastoral Reserve	3,455	81	76	593	161	4,366
Diocesan Office Rental Fund – Capital	3,178	-	-	-	738	3,916
Diocesan Office Rental Fund – Income	21	125	(109)	-	-	37
Mission Fund	193	-	(3)	-	-	190
Growth Fund	24	-	-	-	-	24
<i>Other Specific Reserves</i>						
Tudor Cottage	(11)	-	(3)	-	-	(14)
DBE Hookmills Educational Foundation	-	-	-	-	-	-
	<u>7,618</u>	<u>206</u>	<u>(39)</u>	<u>593</u>	<u>1,041</u>	<u>9,419</u>
UNDESIGNATED FUNDS						
H Gummer Gifts	82	-	-	-	15	97
H H Wills Bequest	377	-	-	-	71	448
St Nicholas Hall Trust	404	-	-	-	75	479
General Reserve	7,958	7,512	(8,604)	297	259	7,422
Pension Reserve	(2,529)	-	1,488	-	(74)	(1,115)
	<u>6,292</u>	<u>7,512</u>	<u>(7,116)</u>	<u>297</u>	<u>346</u>	<u>7,331</u>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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26. SUMMARY OF ASSETS BY FUND

	Fixed Assets Tangible £,000	Investments £,000	Current Assets £,000	Creditors £,000	Net Assets £,000
ENDOWMENT FUNDS					
Diocesan Stipends Fund Capital	3,303	12,165	-	-	15,468
Parsonage Building Fund	18,641	3,599	-	-	22,240
Clergy Pensions Trust	-	22	-	-	22
Diocesan Mission Trust	-	257	-	-	257
Diocesan Education Committee Trust	-	18	-	-	18
Diocesan Offices endowment	-	292	-	-	292
Parsonages Fund	-	261	-	-	261
17 Oakfield Road, Clifton Trust	-	1,234	-	-	1,234
Schools Maintenance Fund capital	-	384	-	-	384
Younghusband legacy	-	225	-	-	225
Gummer legacy	-	132	-	-	132
Sir Francis Cowlin Trust	-	1,735	-	-	1,735
Bristol Diocese Clergy Holiday Trust	-	368	-	-	368
	<u>21,944</u>	<u>20,692</u>	<u>-</u>	<u>-</u>	<u>42,636</u>
RESTRICTED FUNDS					
Diocesan Stipends Fund Income	-	-	-	-	-
Meridian Hall Reserve	128	-	-	-	128
Urban Fund Reserve	-	-	5	-	5
Educational Foundations Capital	-	1,303	339	-	1,642
Educational Foundations Income	-	3,106	602	(911)	2,797
Schools Maintenance Income Funds	-	502	144	-	646
Clergy Society Capital Funds	-	732	-	-	732
Clergy Society Accumulated Income	-	117	93	-	210
Clergy Society Holiday Trust Income	-	56	7	-	63
Uganda	-	-	10	-	10
Uganda (Deanery)	-	-	8	-	8
St Michael on the Mount Without	-	-	33	-	33
SMR Clergy	-	-	25	-	25
Fresh Expressions	-	-	4	-	4
New Housing Areas Fund	-	-	-	-	-
Creative Arts	-	-	49	-	49
Release Fund	-	-	2	-	2
Global Partnership / Uganda Trips	-	-	(3)	-	(3)
Strategic Development Funding (SDF)	-	-	-	-	-
	<u>128</u>	<u>5,816</u>	<u>1,318</u>	<u>(911)</u>	<u>6,351</u>
DESIGNATED FUNDS					
Dame Violet Wills Legacy	1	899	-	-	900
Pastoral Reserve	3,701	665	-	-	4,366
Diocesan Office Rental Fund – Capital	-	3,916	-	-	3,916
Diocesan Office Rental Fund – Income	-	-	37	-	37
Mission Fund	-	-	190	-	190
Growth Fund	-	-	24	-	24
<i>Other Specific Reserves</i>					
Tudor Cottage	-	-	(14)	-	(14)
DBE Hookmills Educational Foundation	-	-	-	-	-
	<u>3,702</u>	<u>5,480</u>	<u>237</u>	<u>-</u>	<u>9,419</u>
UNDESIGNATED FUNDS					
H Gummer Gifts	-	97	-	-	97
H H Wills Bequest	-	448	-	-	448
St Nicholas Hall Trust	-	479	-	-	479
General Reserve	8,142	727	1,471	(2,918)	7,422
Pension Reserve	-	-	(366)	(749)	(1,115)
	<u>8,142</u>	<u>1,751</u>	<u>1,105</u>	<u>(3,667)</u>	<u>7,331</u>
	<u>33,916</u>	<u>33,739</u>	<u>2,660</u>	<u>(4,578)</u>	<u>65,737</u>

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27. DESCRIPTION OF FUNDS

ENDOWMENT FUNDS

(a) **Diocesan Stipends Fund Capital**

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

(b) **Parsonage Building Fund**

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

(c) **Other permanent endowments**

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

RESTRICTED FUNDS

(a) **Diocesan Stipends Fund Income**

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

(b) **Meridian Hall Reserve**

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

(c) **Urban Fund Reserve**

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

(d) **Educational Foundations Capital Funds**

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

(e) **Educational Foundations Income Funds**

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

(f) **Schools Maintenance Income Funds**

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

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(g) **Clergy Society Capital Funds**

These funds form the capital of the Bristol (Diocesan) Clergy Society and the Bristol Diocesan Sustentation Trust, both of which funds are part of the Bristol Diocesan Clergy Charities. They may be used for relieving diocesan clergy and their dependants who are in conditions of need, hardship or distress; and in advancing the education of children of diocesan clergy. The funds were substantially augmented in 2009, by the sale of a house, purchased in 1976 to provide accommodation for a retired clergyman, and no longer needed.

(h) **Clergy Society Accumulated Income Funds**

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

(i) **Clergy Society Holiday Trust Accumulated Income Funds**

This trust originates in a gift of the late Horace Gummer in 1923, and its object is to assist with the holiday expenses of clergy, with preference being given to diocesan clergy; and, if the income cannot be applied as above, to relieve diocesan clergy and their dependants who are in conditions of need, hardship or distress.

(j) **Uganda Funds**

These funds are from a legacy, received in 2015, to be used to provide scholarship funds for theological or ordination training in Uganda for those who are engaged in or preparing for service in the ministry ordained or lay of the Church of Uganda with special consideration being given to candidates from the Dioceses of Bukei, Mbale or North Mbale.

(k) **Uganda (Deanery) Funds**

These funds are held on behalf of a number of deaneries in the Diocese to support their links with the Anglican church in Uganda.

(l) **St Michael on the Mount Without**

The church of St Michael was declared redundant a number of years ago. In 2007, funds under the control of the vicar and churchwardens were distributed to the Diocese, which has taken responsibility for the church. Following a large fire in 2016, renewed efforts have been made to seek a new use for this site and these funds may be used to facilitate that work.

(m) **SMR Clergy**

These funds help to defray the cost of the associate clergy at St Mary Redcliffe. The role is part-funded by the Temple Ecclesiastical Trust.

(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 Shine Pinehurst mission was established in 2011, in partnership with Swindon Youth for Christ, to run innovative youth work initiatives in the Pinehurst area of Swindon. The finances of both these 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 year these funds have been used to pay for a home / school link worker in Charlton Hayes and 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.

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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 life 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 parish mission initiatives and has been used in 2014 to support the transition costs of the introduction of the Diocesan Strategy for 2010-2015.

(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 difference 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 32.

28. CAPITAL COMMITMENTS

At 31st December 2019, the DBF had authorised capital expenditure not contracted for of £Nil (2018 - £Nil). Commitments under contracts not yet completed and not accrued in the accounts amounted to £879,000 (2018 - £Nil). These are in relation to the refurbishment works on the Pattern Store building in Swindon.

29. CONTINGENT LIABILITIES

An Employment Tribunal claim had been lodged during the previous financial period against the DBF and other parties. The DBF had disclaimed liability, defended the action and the case has been dismissed.

30. OPERATING LEASES

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

	2019	2019	2018	2018
	£,000	£,000	£,000	£,000
	<i>Land & Buildings</i>	<i>Other</i>	<i>Land & Buildings</i>	<i>Other</i>
Operating leases				
Within one year	109	-	109	2
Within two to five years	136	-	245	-
After five years	-	-	-	-

31. POST BALANCE SHEET EVENTS

The DBF is treating the impact of the Covid-19 coronavirus as a non-adjusting post balance sheet event as the impact of the virus in the UK operate was only experienced in the ear ending 31 December 2020. The judgements and key sources of estimation uncertainty set out in note 1 have not been revisited as a result.

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
for the year ended 31st December 2019

32. PENSIONS

Clergy pension scheme

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

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2019: £330,000, 2018: £304,000), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £1,436,000 for 2019 (2018: £206,000).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31st December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2%;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.; and
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter⁷ of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31st December 2018 valuation, a recovery plan was put in place until 31st December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2017 and 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

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

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2017 and over 2018 is set out in the table below.

	2019	2018
Balance sheet liability at 1 st January	2,195,000	2,401,000
Deficit contribution paid	-330,000	-304,000
Interest cost (recognised in SoFA)	43,000	31,000
Remaining change to the balance sheet liability* (recognised in SoFA)	-1,149,000	67,000
Balance sheet liability at 31 st December	759,000	2,195,000

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

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This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2019	December 2018	December 2017
Discount rate	1.1% pa	2.1% pa	1.4% pa
Price inflation	2.8% pa	3.1% pa	3.0% pa
Increase to total pensionable payroll	1.3% pa	1.6% pa	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 Responsible Body's pension liabilities.

Defined Benefit Scheme

The 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 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 was carried out as at 31 March 2017 and the results of that valuation were updated to 31 December 2019 allowing for cashflows in and out of the Scheme and changes to assumptions over the period. The next valuation of the Scheme is due as at 31 March 2020. In the event that the valuation reveals a larger deficit than expected the Employer may be required to increase contributions above those set out in the existing Schedule of Contributions. Conversely, if the position is better than expected, it's possible that contributions may be reduced.

The Employer currently expects to pay contributions of £62,400 in the year to 31 December 2020.

Profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is around 18 years based on the Scheme's liabilities which were calculated by updating the valuation calculations carried out for the formal valuation at as 31 March 2017.

Disclosures

Figures for disclosure in accounts for period ending 31 December 2019 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:

	2019	2018
Discount rate	2.10% pa	2.90% pa
Inflation assumption (RPI)	3.40% pa	3.60% pa
Inflation assumption (CPI)	2.40% pa	2.60% pa
Pension increase (RPI max 5% (LPI) pension increases)	3.30% pa	3.50% pa
Pension increase (Revaluation in deferment (CPI))	2.40% pa	2.60% pa
Post retirement mortality	95% of S2PA with CMI 2017 projection and a long-term improvement of 1.50% pa	95% of S2PA with CMI 2016 projection and a long-term improvement of 1.50% pa
Commutation	No allowance has been made for members to take tax free cash	No allowance has been made for members to take tax free cash

Assets

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

The actual return on the Scheme's assets over the period to the Review Date was £6,000 (2018 = £4,000).

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

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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Balance Sheet at 31st December 2019

	2019	2018
	£,000	£,000
Fair value of assets	320	254
Present value of funded obligations	(676)	(588)
Net defined benefit liability at 31st December 2019	(356)	(334)

Amounts recognised in the Statement of Financial Activity over the year

	2019	2018
	£,000	£,000
Current service costs	-	-
Administration costs	22	21
Interest on liabilities	17	16
Interest on assets	(8)	(6)
Past service cost	-	-
Settlement cost	-	-
Total	31	31

Remeasurements over the year

	2019	2018
	£,000	£,000
Loss / (gain) on scheme assets in excess of interest	2	2
Experience losses / (gains) on liabilities	-	-
Losses / (gains) from changes to demographic assumptions	(5)	(20)
Losses / (gains) from changes to financial assumptions	77	(32)
Total remeasurements	74	(50)

The change in the assets over the period was:

	2019	2018
	£,000	£,000
Fair value of assets at the beginning of the period	254	195
Interest on assets	8	6
Employer contributions	83	77
Contributions by Scheme participants	-	-
Benefits paid	(1)	(1)
Administration Costs	(22)	(21)
Change due to settlements	-	-
Return on plan assets less interest	(2)	(2)
Fair value of assets at the end of the period	320	254
Actual return on assets	6	4

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

	2019	2018
	£,000	£,000
Defined Benefit Obligations at the beginning of the period	588	625
Current service cost	-	-
Contributions by Scheme participants	-	-
Past service cost	-	-
Interest cost	17	16
Benefits paid	(1)	(1)
Change due to settlements	-	-
Experience (gain) / loss on defined benefit obligations	-	-
Changes to demographic assumptions	(5)	(20)
Changes to financial assumptions	77	(32)
Defined Benefit Obligations at the end of the period	676	588

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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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 £119,495 (2018 - £107,856) and outstanding contributions as at 31 December 2019 amounted to £15,336 (2018 - £16,164).

33. PRIOR YEAR COMPARATIVE SOFA

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total funds 2018
	General £,000	Designated £,000			
Income and endowments from					
Donations					
Parish Share contributions	5,386	-	-	-	5,386
National Church institutions	373	-	872	-	1,245
Other donations	636	-	241	-	877
Charitable activities	342	-	-	-	342
Other activities	442	-	4	-	446
Investments	349	180	527	-	1,056
Gains on sale of assets	314	-	0	362	676
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total income	7,842	180	1,644	362	10,028
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on					
Raising funds	38	1	19	-	58
Charitable activities	8,190	127	811	277	9,405
Other	(252)	53	0	32	(167)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	7,976	181	830	309	9,296
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income / (expenditure) before other gains	(134)	(1)	814	53	732
Net gains on investments	(29)	(105)	(98)	140	(92)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income	(163)	(106)	716	193	640
Transfer between funds	298	660	(958)	-	-
Actuarial gains on pension schemes	50	-	-	-	50
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds	185	554	(242)	193	690
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds as at 1st January 2019	6,107	7,064	5,874	8,395	57,440
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds as at 31st December 2019	6,292	7,618	5,632	38,588	58,130
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Bristol Diocesan Board of Finance Limited
Notes to the Accounts
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34. RELATED PARTY TRANSACTIONS

The Foundation of Saint Matthias (registered charity number 311696) is administered from the DBF's registered office by its Clerk to the Trustees, who is an employee of the DBF. In addition, from 01 July 2019 the DBF provided accounting services. The Foundation made a contribution to these services of £27,439 in 2019 (2018 - £26,867). The Foundation made a grant to the DBF in 2019 of £50,000 towards the work of the Adviser to schools and education work in the Diocese (2018 - £50,000). A further grant of £6,000 (2018 - £6,000) was made to fund the work of a Further Education Development Officer.

The **Diocese of Bristol Academies Company** (DoBAC) and The **Diocese of Bristol Academies Trust** (DBAT) are separate legal entities from the DBF and both are administered from the DBF's registered office by employees of the DBF and DBAT. In 2019, DBAT paid £10,984 (2018 - £65,096) for the secondment of DBF staff as CEO and Deputy CEO and £52,979 as a contribution towards other services (2018 - £64,403), including office space of £33,653 (2018 - £53,315). As at 31st December 2019, £9,997 was owed to the DBF by DBAT (2018 - £5,740).

Trinity College (Bristol) Ltd is a theological education institution (TEI) that trains a number of ordinands sponsored by the Diocese of Bristol. It employs one of the DBF's directors. In 2019, the DBF paid Trinity College (Bristol) Ltd the sum of £172,013 for ordinand training (2018 - £115,555), in addition to £Nil for training an Ordained Local Minister (2018 - £2,550) and £24 for other services (2018 - £635).

CPAS (Church Pastoral Aid Society) is an Anglican evangelical mission agency working with churches, mainly in the UK and Republic of Ireland. During the early part of 2019, it employed the Acting Archdeacon of Malmesbury, who was seconded from CPAS until the 4th May 2019. In 2019, the DBF paid CPAS the sum of £13,522 (2018 - £9,296) in relation to that secondment and £15,046 (2018 - £24,332) for other services.

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

35. FUNDS HELD AS CUSTODIAN TRUSTEE

By virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964, and certain Charity Commissioners' schemes, the DBF is the Diocesan authority over certain assets held on permanent trusts, where the managing trustees are parochial church councils or others.

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

Separate financial statements have been prepared to account for the DBF's stewardship of these assets, and full trust accounts for each trust are the responsibility of the managing trustees in each case. Copies of the separate financial statements are available from the Secretary at the Registered Office of the DBF.

The financial assets held in this way can be summarised as follows:

	2019	2018
	£,000	£,000
Capital Assets		
Equities	21	17
Other fixed-interest securities	0	0
Unit trust shares	12,033	10,057
CBF Deposit Fund	1,419	1,783
Virgin Money Charity Deposits	154	154
Trust capital loans	96	105
Cash at bank	1	63
Income Assets		
Unit trust shares	264	213
CBF Deposit Fund	409	722
COIF Deposit Fund	46	46
Virgin Money Charity Deposits	9	8
Debtors	-	-
Creditors	(3)	(7)
Cash at bank	6	2
	14,455	13,163