

Hereford Diocesan Board of Finance

Summarised Annual Group Report & Accounts 2016

Company limited by guarantee, registration number 144467

Charity registration number 249685

The Trustees, who are also Directors for the purposes of company law, present the summary strategic group report and accounts for the year ended 31 December 2016. This summary report is not the statutory annual report and financial statements of the Hereford Diocesan Board of Finance and may not contain sufficient information to allow a full understanding of the financial affairs of the Board.

A copy of the full statutory Group Annual Report & Accounts 2016, including the unqualified report of the independent auditors (under auditors' statement section 496), may be obtained from the Diocesan Office in Hereford.

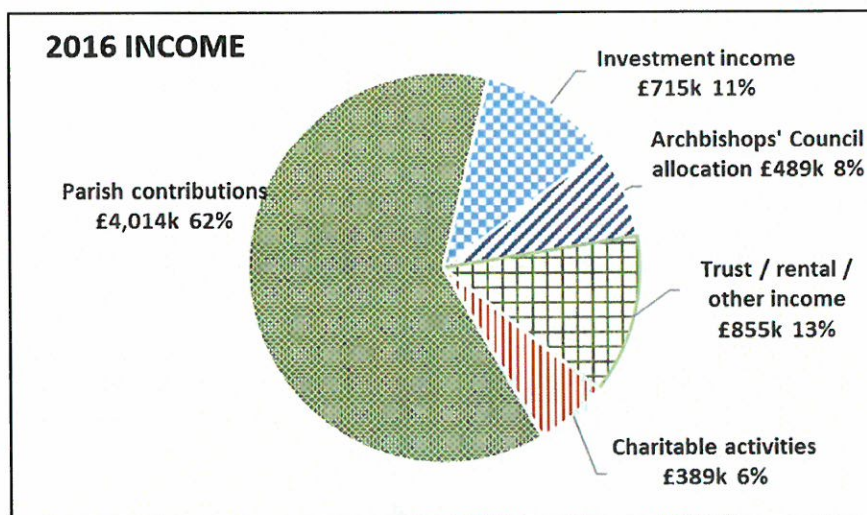
Registered office:	The Diocesan Office, The Palace, Palace Yard, Hereford HR4 9BL
Telephone:	01432 373300
Email:	diooffice@hereford.anglican.org
Website:	www.hereford.anglican.org

Summary group income & expenditure statement

For the year ended 31 December 2016

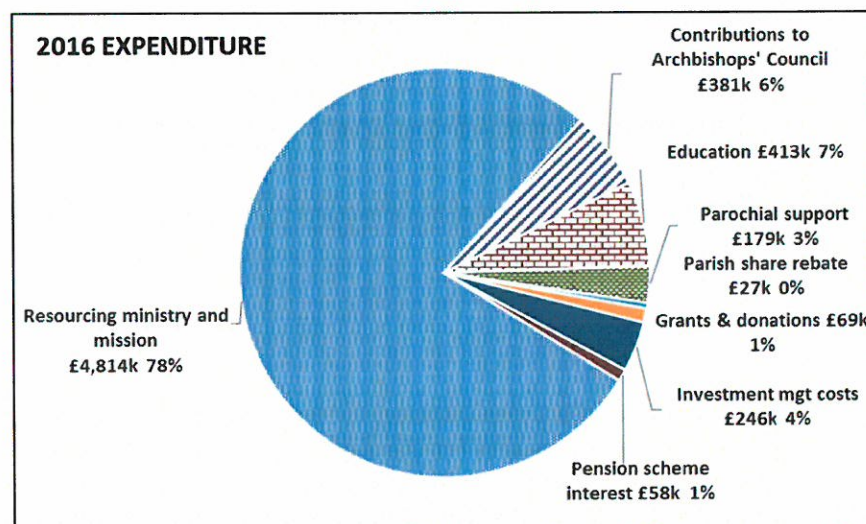
Notes on group income:

- Parishes contributed 94% (2015: 92%) of Parish Share.
- Investment income of £715k was 3% lower than in 2015, due largely to lower dividend yields.
- Trust, rental and other income was £492k higher than 2015 due to the sale of a rectory no longer required for parish ministry.
- Charitable activities, represented mostly by parochial fee income of £381k was 6% higher than in 2015 due in part to more timely remittance of fees.



Notes on expenditure:

- Resourcing ministry and mission of £4,814k included £3,467k spent on parish ministry (£3,747 incl. pension deficit contributions, being 4% below budget due to clergy vacancies), £1,222k on direct support for ministry, and £125k on housing improvements.
- Contributions to Archbishops' Council of £381k were on budget and £20k above 2015 levels.
- Parochial support of £179k was £65k below 2015 due to a lower spend related to the disposal of redundant churches.
- Education support to CofE schools of £413k was £28k above 2015 due to a full year's grant to The Bishop Anthony Educational Trust of £144k (2015: 10 months totalling £120k).



Unrestricted funds

Overall the accounts show a general fund surplus of £16k for the year before investment gains and losses. However, the statutory accounts treat the pension deficit payments of £280k as a reduction to creditors. Had this been treated as expenditure, the loss would have been £264k, mitigated by a donation from the HDBF Uniform Statutory Trust of £36k resulting in an overall general fund deficit of £228k as reported in the 2016 management accounts, summarised on page 6.

Hereford Diocesan Board of Finance

Independent auditors' statement

To the trustees of the Hereford Diocesan Board of Finance

We have examined the summary financial statements of Hereford Diocesan Board of Finance for the year ended 31 December 2016.

Respective responsibilities of trustees and auditors

The trustees are responsible for preparing the summarised financial statements in accordance with applicable United Kingdom law and the recommendations of the charities SORP. Our responsibility is to report to you our opinion on the consistency of the summarised financial statements with the full annual financial statements and the Trustees' Annual Report.

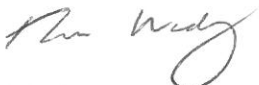
We also read the other information contained in the summarised Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summarised financial statements. The other information comprises only of the Income and Expenditure summary based on the Management Accounts.

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board. Our report on the full annual financial statements describes the basis of our opinion on those financial statements and on the Trustees' Annual Report.

Opinion on financial statements

In our opinion the summarised financial statements are consistent with the full annual financial statements and the Trustee' Annual Report of the Hereford Diocesan Board of Finance for the year ended 31 December 2016.

We have not considered the effects of any events between 16 May 2017 when we signed our report on the full annual financial statements and the date of this statement.



THORNE WIDGERY ACCOUNTANCY LTD, Statutory Auditor
Unit 2, Wyevale Business Park
Wyevale Way
Stretton Sugwas
Hereford
HR4 7BS

Date:

16/5/17

Hereford Diocesan Board of Finance

Group statement of financial activities

For the year ended 31 December 2016

	Unrestricted General fund £'000	Restricted funds £'000	Endowment funds £'000	Total 2016 £'000	Total 2015 £'000
Income and endowments from:					
Donations					
Parish share contributions	4,014	-	-	4,014	3,846
Archbishops' Council	449	40	-	489	492
Other donations	155	25	-	180	144
Charitable activities	389	-	-	389	359
Other trading income	207	32	-	239	214
Investment income	551	164	-	715	740
Other income	-	436	-	436	5
Total income and endowments	5,765	697	-	6,462	5,800
Expenditure on:					
Raising funds	117	69	145	331	276
Charitable activities					
Contributions to Archbishops' Council	381	-	-	381	361
Resourcing ministry and mission	4,689	125	-	4,814	4,664
Education	410	3	-	413	385
Parochial support	144	35	-	179	244
Other grants and donations	8	61	-	69	27
Total resources expended	5,749	293	145	6,187	5,957
Net income/(expenditure) before investment gains	16	404	(145)	275	(157)
Net gains/(losses) on investments	401	643	814	1,858	(727)
Net income/(expenditure)	417	1,047	669	2,133	(884)
Transfers between funds	(244)	(36)	280	-	-
Other recognised gains (losses)					
Gains/(losses) on revaluation	-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension	-	-	129	129	(20)
Net movement in funds	173	1,011	1,078	2,262	(904)
Funds brought forward at 1 January	3,757	50,155	12,085	65,997	66,901
Funds carried forward at 31 December	3,930	51,166	13,163	68,259	65,997

All activities derive from continuing activities.


The group financial statements incorporate the financial statements of the Charity (The Hereford Diocesan Board of Finance) and its subsidiary undertaking, the HDBF Uniform Statutory Trust.

Balance sheet: group

As at 31 December 2016

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2016 £'000	Total 2015 £'000
Fixed assets					
Tangible assets	13	45,504	1,245	46,762	46,669
Investments	3,026	5,036	14,012	22,074	20,383
	3,039	50,540	15,257	68,836	67,052
Current assets					
Stocks	5	-	-	5	6
Debtors: amounts falling due within one year	248	18	-	266	279
Debtors: amounts falling due after one year	-	34	-	34	44
Cash at bank & in hand	924	825	26	1,775	1,607
	1,177	877	26	2,080	1,936
Creditors: amounts falling due within one year	(286)	(251)	(300)	(837)	(821)
Net current assets	891	626	(274)	1,243	1,115
Total assets less current liabilities	3,930	51,166	14,983	70,079	68,167
Creditors: amounts falling after more than one year					
Pension scheme liabilities	-	-	(1,820)	(1,820)	(2,170)
Net Assets	3,930	51,166	13,163	68,259	65,997
Unrestricted funds					
General reserve	3,930	-	-	3,930	3,757
Restricted funds					
Pastoral reserve	-	48,931	-	48,931	48,153
Mission and Ministry reserve	-	47	-	47	45
Uniform Statutory Trust	-	2,188	-	2,188	1,957
Endowment funds					
Diocesan stipends reserve	-	-	13,163	13,163	12,085
Reserves	3,930	51,166	13,163	68,259	65,997

These accounts were approved by the directors of the Hereford Diocesan Board of Finance and authorised for issue on 16 May 2017 and signed on their behalf by:



 Revd J Rogers
 Director

Income & expenditure summary – unrestricted funds (per management accounts)

For the year ended 31 December 2016

	2016 BUDGET £	2016 ACTUAL £	VARIANCE Fav/(Adv) %	2015 ACTUAL £
Incoming resources				
Incoming resources from generated funds:				
Donations:				
Parish contributions	4,264,300	4,013,848	(5.9)%	3,862,131
Archbishops' Council	447,700	449,037	0.3 %	452,426
Other donations	123,400	150,786	22.2 %	135,688
Charitable activities	346,000	381,469	10.3 %	359,156
Other trading income	181,100	197,529	9.1 %	173,120
Investment income - glebe	464,200	473,134	1.9 %	487,381
- dividends and interest	109,400	102,302	(6.5)%	111,620
Total incoming resources	5,936,100	5,768,105	(2.8)%	5,581,522
Resources expended*				
Cost of raising funds				
Investment & rental mgt costs	86,300	90,050	(4.3)%	90,310
Charitable activities:				
Contributions to Archbishops' Council	377,400	377,362	0.0 %	357,907
Resourcing ministry and mission	4,819,300	4,560,320	5.4 %	4,456,721
Education (net of income & UST transfer)	329,800	316,796	3.9 %	272,203
Parochial support	117,900	110,018	6.7 %	108,270
Grants and donations	7,600	7,852	(3.3)%	7,727
Other resources expended				
Diocesan support costs	437,500	438,004	(0.1)%	398,031
Governance, Synod & professional fees	75,600	95,455	(26.3)%	58,563
Total resources expended	6,251,400	5,995,857	4.1 %	5,749,732
Net outgoings before investment gains and losses	(315,300)	(227,752)	27.8 %	(168,210)
Reconciliation to statutory accounts				
Budgeted deficit for 2016 as above		(227,752)		
UST donation shown as a transfer in the statutory a/c's		(36,000)		
Pension deficit payments shown as a reduction in pension creditor in the statutory a/c's		280,000		
Net income before investment gains and losses as per the statutory accounts		16,248		

*The statutory accounts re-analyse support costs across all expenditure headings, whereas the management accounts show support costs separately. This gives rise to differences between the amounts reported under each expenditure heading.