

**REGISTERED COMPANY NUMBER: 03489945 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1067653**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2017  
FOR  
MONMOUTH DIOCESAN BOARD OF FINANCE**

Arthur Gait & Company  
Chartered Accountants and Statutory Auditors  
18 Gold Tops  
Newport  
South Wales  
NP20 5WJ

**MONMOUTH DIOCESAN BOARD OF FINANCE**

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FOR THE YEAR ENDED 31 DECEMBER 2017**

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## MONMOUTH DIOCESAN BOARD OF FINANCE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### OBJECTIVES AND ACTIVITIES

##### Objectives and aims

The primary objective of the charity is to ensure that there is sufficient revenue to maintain the level of ministry for the diocese, and to enable the administrative functions of the diocese to be properly exercised.

Management of the assets of the charity forms an important part of ensuring that there is sufficient revenue available. The Diocesan Secretary has delegated authority for the management of the organisation and the responsibility as the employer of staff engaged on Diocesan activities

The DBF receives a contribution each year from the Monmouth Diocesan Trust towards the cost of providing secretariat facilities for the Diocesan Trust, a separate registered charity and company limited by guarantee. In 2017 the DBF also employed a Diocesan Director of Education who was funded by the Diocesan Trust.

##### Significant activities

#### DEVELOPMENTS DURING 2017

##### DBF Staff and Diocesan Office Support in 2017

In 2017 the core DBF staff comprised the Diocesan Secretary, Senior Finance Officer, Administrator, DAC Secretary, Registrar, Communications Officer, Children, Youth & Family Ministry Advisors and cleaner. Some members of staff work on a part-time basis and the number of full-time equivalents (FTE's) in 2017 was 5.3 (down from 7.6 in 2016)

In addition, with the Transformation Fund the DBF was able to fund additional members of staff in 2017 (Projects Officer, Pioneer Development Officer, additional CYFMA, Care of Churches Officer, Administrator) with 3.3 FTE's (c.f. 3.7 FTE's in 2016).

The staff grades and salaries follow the guidelines of the Cin W Representative Body. The annual pay review is also in line with these guidelines.

##### Forward Strategy

A DBF budget sub-committee was established to look at the long-term financial strategy that is required to support the Diocesan Strategy (Monmouth 2020) and the development of Ministry Areas.

In order to plan for the period from 2018 (without the additional RB support in the form of the Transformation Fund) the budget sub-committee recommended that the number of stipendiary clerics should not exceed 49 in 2017 and 2018. It also advised the trustees to accept the early retirement/redundancy of 2 Diocesan Officers, planned for 2017.

The trustees are aware of the long-term trend in reducing Sunday attendance and the consequent reduction in giving, together with the increased costs of clergy pensions, training and safeguarding. At the same time, they are conscious of the need to invest in evangelism and mission in order to develop the church for 2020 and beyond. Therefore, the trustees have agreed to carry forward any surplus funds (£161k from 2016) to provide additional resource in 2018.

##### Public benefit

The Trustees have had due regard to the Charity Commission guidance on public benefit, and are satisfied that the charity is providing a public benefit. A major strength of the Anglican religion in Wales is the parochial structure which ensures that all communities, however congested or remote, are integrated within an Anglican parish.

Parishes hold regular services of worship, which are freely accessible to all members of the public, and offer services of holy communion, baptism, confirmation, marriage and funerals, subject to the guidelines of the Church in Wales. An inclusive policy is adopted throughout the Diocese and parishes are encouraged to develop links with their communities, promoting the Christian Gospel and working to create greater social cohesion.

##### Ministry (Parish) Share

The new Ministry Share scheme was introduced for Q1 2016 and was successful in ensuring a higher level of on-time payments. Over 80% of our parishes paid by Standing Order (for which they received a 5% rebate) and only 1% of the 2017 share remained outstanding at the end of the year. There were still several Ministry Areas and parishes with unpaid share from previous years and agreements are being sought to repay the debts to the DBF.

For 2017 the trustees agreed to set up a Ministry Share Support Fund (with £50k) to help Ministry Areas and Parishes who are still experiencing difficulty in making their share payments.

It was also good to note that 8 parishes agreed to donate their 5% share rebate to those parishes in greater need.

The trustees have been advised to maintain the provision for unpaid share at £250k.

## MONMOUTH DIOCESAN BOARD OF FINANCE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

#### FINANCIAL REVIEW

##### Investment policy and objectives

The investment strategy is determined by the Investment Advisory Group (which also oversees investments on behalf of the Trust) and comprises 4 members of the DBF and Trust plus the Diocesan Secretary.

The portfolio of investments is managed by investment managers who have authority to buy and sell without reference to trustees. All purchases and sales are notified to the Secretary and a full review of the charity's portfolio is undertaken twice each year by the Investment Advisory Group with the investment managers. The members of the Investment Advisory Group also receive quarterly reports, including benchmark indices.

The investment managers are required to ensure that the ethical investment policy, as agreed by Trustees, is followed at all times. The Trustees subscribe to the same ethical policy as that adopted by the Representative Body of the Church in Wales.

In January 2016 Brewin Dolphin was appointed as the DBF's Investment Manager, following a thorough review and assessment of alternative proposals. The trustees were pleased to note the very good performance of the funds under Brewin Dolphin's management during the year

##### Reserves policy

The trustees review the charity's Reserves policy annually. The current policy is to maintain the equivalent of 6 months of the charity's running costs in freely available funds.

Reserves are needed to provide adequate cash flow between regular payments to the RB for clergy stipend and pension provision, and Ministry (Parish) Share payments received on a quarterly basis from the parishes.

Unrestricted reserves at 31st December 2016 amounted to £3,519,196 of which £317,997 is expressed by tangible fixed assets which are not readily saleable, additionally reserves are tied up in investment assets which are held to enable a higher level of investment income to be generated. Restricted funds amounted to £279,445 (see notes 20 and 21).



## MONMOUTH DIOCESAN BOARD OF FINANCE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

#### FUTURE PLANS

##### Planning and monitoring the DBF budget

A budget group, set up by the trustees, is tasked with preparing a budget in the summer of each year for implementation the following year.

##### Budget for 2018:

Approved by the Trustees in September 2017, the 2018 budget envisaged a total spend of £3.37m, with approx 80% being spent directly on support for ministry i.e. primarily clergy stipends and associated costs (clergy NI, final salary pension contributions, training, maintenance of parsonages, Council Tax, etc)

The budget is financed by:

- " the parishes through the Ministry (Parish) Share system £2.05m (60%)
- " a grant from the RB of £1m (30%);
- " DBF funds, including unspent income from 2016, £191k (6%)
- " other sources, including interest and income from investments, £133k (4%).

The DBF Executive Committee monitors the income and expenditure at its quarterly meetings.

##### Transformation Fund

The RB made a special fund available to Dioceses for the period 2015-17 to support the establishment of Ministry Areas. The total fund for the Diocese of Monmouth is £500k, paid in 3 annual instalments. This fund, together with additional funds agreed by the DBF in July 2014, is being utilised to provide extra resources for the development of Ministry Areas. Specifically, extra resources have been allocated for training (clergy and laity); Children, Youth & Pioneer ministry, Communications, Churches Development Officer, and additional project work to support Ministry Area activities and the Bishop's Audit process.

##### The Property Board

The DBF makes a grant available to the Property Board, paid quarterly, to enable the Property Board to maintain the parsonages within the Diocese. The capital funds of the Property Board, which are used to carry out major improvements or purchase new properties when required, are held and administered by the RB. The parsonages are vested in the RB. The trustees receive quarterly reports from the Property Board. These reports contain information about house acquisitions and sales as well as information about planned and actual expenditure on parsonages.

In 2017 there were 75 parsonages in the scheme and the DBF contributed £375k for maintenance work. In addition, 14 parsonages were rented to generate additional income.

For 2018, 73 parsonages were budgeted to be in the scheme, with a DBF contribution of £375k.

##### Clergy

Details of the number of stipendiary clergy are provided at each meeting to try to ensure that clergy numbers can be financed from within the existing budget. 49 stipendiary clerics were budgeted in 2017 but there were several vacancies throughout the year. The budget number for 2018 remains at 49.

The Diocese also has 55 Non-Stipendiary Ministers (NSMs) the highest number of NSM's in the Church in Wales. NSMs do not receive a stipend, although some live in parsonages on a House for Duty (HfD) basis. The diocese recognises the invaluable contribution that NSMs make to the life of the diocese.

##### Forward Strategy

A DBF budget sub-committee was established to look at the long-term financial strategy that is required to support the Diocesan Strategy and the development of Ministry Areas.

In order to plan for the period from 2018 (without the additional RB support in the form of the Transformation Fund) the budget sub-committee recommended that the number of stipendiary clerics should not exceed 49 in 2017 and 2018. It also advised the trustees to accept the early retirement/redundancy of 2 Diocesan Officers, which took place in early 2017. The trustees are aware of the long-term trend in reducing Sunday attendance and the consequent reduction in giving, together with the increased costs of clergy pensions, training and safeguarding. At the same time, they are conscious of the need to invest in evangelism and mission in order to develop the church for 2020 and beyond. Therefore, the trustees have agreed to set up an Evangelism Fund of £120k to initiate mission projects for which further support will be requested from the RB's Evangelism Fund and to carry forward any surplus funds (£145k from 2017) to provide additional resources in 2019.

## MONMOUTH DIOCESAN BOARD OF FINANCE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

##### Primary purpose

Membership of the Diocesan Board of Finance (DBF) is governed by the Constitution of the Diocesan Conference of the Diocese of Monmouth adopted 13th October 2001, which stipulates that:

- " each deanery shall elect two lay members from amongst those elected to the Diocesan Conference;
- " not more than six lay persons, who need not be members of the Diocesan Conference, may be co-opted by the Board, and
- " not more than four persons (either cleric or lay so long as the number of clerics on the Board shall not thereby exceed that of the lay persons) may be nominated by the Bishop. The lay persons so nominated need not be members of the Diocesan Conference;
- " the Bishop may nominate one extra person during a three year period.

Membership of the Board is for a period of three years commencing at the Annual General Meeting following appointment and members, if appointed, shall be eligible for re-appointment.

##### Electing and appointment of new trustees

Monmouth Diocesan Board of Finance operates through a company limited by guarantee governed by Memorandum and Articles of Association dated 2nd January 1998, and registered as a charity with the Charity Commission for England & Wales.

At its Annual General meeting (AGM) the DBF appoints an Executive committee of ex-officio and elected members to be the Directors of the Company and Trustee board of the charity. As such they are bound by both charity and company law.

In addition to the ex officio trustees, the Annual General Meeting on 22nd June 2006 resolved, "that the rules and byelaws be amended to provide that the number of elected members on the Executive Committee be increased from nine to twelve forthwith".

The Chairman and Vice Chairman are elected for a period of office of one year. Trustees are elected for a period of three years.

When considering both the election and appointment of new trustees, the charity takes into account the skills required of trustees in:

- " managing a Christian charity, and
- " administering the assets and financial management of the charity.

##### Organisational structure

The Board of Trustees, which met four times in 2017, in addition to the AGM on the 18th September 2017, administers the charity. The trustees meet when the previous quarter's financial management information is available.

A Secretary and Executive Officer is employed by the trustees to manage the day to day operations of the charity. The Secretary has delegated authority, approved by the trustees, for operational matters, staff management, finance and the overall operation of the charity within the approved budget.

The Representative Body of the Church in Wales (RB) delegates responsibility for overseeing the care of parsonages within the diocese to the Monmouth Diocesan Property Board, a sub-committee of the Diocesan Board of Finance (DBF). There is considerable common membership between the Diocesan Board of Finance (DBF) and the Property Board, and both bodies are administered from the Diocesan Office.

##### Induction and training of new trustees

New trustees are briefed on their legal obligations under charity and company law, the background history of the charity, the decision-making processes, the business plan and the quarterly monitoring of financial progress and the charity's latest annual financial performance. Information from the Charity Commission is also available for both new and existing trustees.



## MONMOUTH DIOCESAN BOARD OF FINANCE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Links with other bodies

The charity has a close liaison with the Representative Body of the Church in Wales (RB).

Financial assistance is provided by the RB in the form of an annual grant to the Diocesan Board of Finance, payable quarterly.

The RB also manages the stipendiary clergy payroll system, although clergy stipends are mainly funded from the Ministry (Parish) Share collected from the parishes.

#### FORMAL LINKS WITH THE REPRESENTATIVE BODY OF THE CHURCH IN WALES (RB)

The Chairman, the Archdeacon of Newport, and Paulette Brown (vice chairman) are members of the Representative Body of the Church in Wales (RB), the Trustee body responsible for the administration of the assets of the Church in Wales.

##### Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The charity has a risk management strategy which is reviewed each year and updated as necessary.

During the last year the Trustees have been made aware of the termination of the Transformation Fund in 2017 and the increase in the cost of clergy pensions (to 38.8% of stipend), the costs of training through the newly formed St Padarn's Institute (£75k p.a.) and the extra provision for Safeguarding training (£25k p.a.). As a result of these changes the costs to the DBF will increase at the same time as the income from Ministry Share continues to fall. Consequently, in setting future budgets, the Trustees have acknowledged the need to carefully manage the number of stipends, Diocesan Officers and other discretionary expenditure in order to deliver a balanced budget.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Company number

03489945 (England and Wales)

##### Registered Charity number

1067653

##### Registered office

Diocesan Office  
64 Caerau Road  
Newport  
South Wales  
NP20 4HJ

## MONMOUTH DIOCESAN BOARD OF FINANCE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Trustees

#### DIRECTORS AND TRUSTEES

The directors of the company (the charity) are also its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

Trustees during 2017 were as follows:

##### Ex-officio

Peter E Lea (Chairman)  
Paulette Brown (Vice Chairman)  
The Bishop of Monmouth (ex officio)  
The Dean of Monmouth (ex officio)  
The Archdeacon of Newport (ex officio)  
The Archdeacon of Monmouth (ex officio)  
The Diocesan Registrar (ex officio)  
R D (Sandy) Blair C.B.E (Chairman of the Property Board)

##### Elected

Revd Jeremy D Harris (Area Dean of Netherwent)  
Revd Canon Timothy G Clement (Area Dean of Raglan & Usk)  
Revd Canon Mark Soady (Area Dean of Abergavenny)  
Revd Anne Golledge (Area Dean of Pontypool)  
Revd Martyn Evans (Bishops nominee)  
Richard Harbottle  
Philip Masters  
Christopher Wray  
George Hughes  
Sarah Mulcahy

##### The Monmouth Diocesan Property Board

R D (Sandy) Blair C.B.E. (Chairman)  
The Bishop of Monmouth  
The Archdeacon of Newport  
The Archdeacon of Monmouth  
Peter E Lea (Chairman of the Diocesan Board of Finance)  
Revd Anne Golledge  
Justin Telang  
Rod Davies  
Alun Jones  
Ashley Rogers  
Revd Chris Walters

##### Secretary and Executive Officer

Dr Paul Glover

##### Auditors

Arthur Gait & Company  
Chartered Accountants and Statutory Auditors  
18 Gold Tops  
Newport  
South Wales  
NP20 5WJ



## MONMOUTH DIOCESAN BOARD OF FINANCE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Solicitors

Jacklyn Dawson  
Equity Chambers  
John Frost Square  
Newport  
NP20 1PW

##### Advisers

##### Bankers

Natwest Bank  
High Street  
Newport  
NP20 1GG

##### Investment Managers

Brewin Dolphin  
5 Callaghan Square  
Cardiff  
CF10 5BT

#### FUNDS HELD AS CUSTODIAN FOR OTHERS

Trustees act as custodian trustees for certain parish assets (both land and investments) held on behalf of those parishes. These are shown in Note 24 of the Accounts. Where funds are held or managed for parishes, these are either held in a dedicated bank account or can be easily identified in the books of the DBF.

#### STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Monmouth Diocesan Board of Finance for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITORS

The auditors, Arthur Gait & Company, will be proposed for re-appointment at the forthcoming Annual General Meeting.

MONMOUTH DIOCESAN BOARD OF FINANCE

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2017

Approved by order of the board of trustees on .....17<sup>th</sup> September 2018..... and signed on its behalf by:



Venerable T H A Mason - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MONMOUTH DIOCESAN BOARD OF FINANCE**

### **Opinion**

We have audited the financial statements of Monmouth Diocesan Board of Finance (the 'charitable company') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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 charitable company'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 annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

### **Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
MONMOUTH DIOCESAN BOARD OF FINANCE**

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

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

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

**Our 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 a Report of the Independent Auditors 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christine Pritchard FCA (Senior Statutory Auditor)  
for and on behalf of Arthur Gait & Company  
Chartered Accountants and Statutory Auditors  
18 Gold Tops  
Newport  
South Wales  
NP20 5WJ



Date: 24/9/18



MONMOUTH DIOCESAN BOARD OF FINANCE

STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted funds £	Restricted funds £	31.12.17 Total funds £	31.12.16 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	3,314,516	57,008	3,371,524	3,374,627
<b>Charitable activities</b>	5				
Grants and other financial support		16,159	-	16,159	15,136
Other trading activities	3	-	86,850	86,850	96,132
Investment income	4	90,302	9,925	100,227	64,043
Other income	6	85	-	85	86
<b>Total</b>		<u>3,421,062</u>	<u>153,783</u>	<u>3,574,845</u>	<u>3,550,024</u>
<b>EXPENDITURE ON</b>					
Raising funds	7	13,614	973	14,587	11,196
<b>Charitable activities</b>	8				
Support for ministry		2,129,862	585,620	2,715,482	2,745,988
Support for parishes		366,792	-	366,792	407,470
Support for other church property		91,832	-	91,832	64,579
Grants and other financial support		84,529	31,765	116,294	145,366
Communications and publications		40,139	-	40,139	45,463
<b>Total</b>		<u>2,726,768</u>	<u>618,358</u>	<u>3,345,126</u>	<u>3,420,062</u>
Net gains/(losses) on investments		<u>85,591</u>	<u>6,522</u>	<u>92,113</u>	<u>165,599</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>779,885</u>	<u>(458,053)</u>	<u>321,832</u>	<u>295,561</u>
<b>Transfers between funds</b>	21	<u>(428,759)</u>	<u>428,759</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>351,126</u>	<u>(29,294)</u>	<u>321,832</u>	<u>295,561</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>3,168,070</u>	<u>308,739</u>	<u>3,476,809</u>	<u>3,181,248</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>3,519,196</u></u>	<u><u>279,445</u></u>	<u><u>3,798,641</u></u>	<u><u>3,476,809</u></u>

The notes form part of these financial statements

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**BALANCE SHEET  
AT 31 DECEMBER 2017**

	Not es	31.12.17 £	31.12.16 £
<b>FIXED ASSETS</b>			
Tangible assets	15	317,997	323,670
Investments	16	<u>2,459,555</u>	<u>2,245,476</u>
		2,777,552	2,569,146
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	17	686,775	753,206
Debtors: amounts falling due after more than one year	17	369,254	369,254
Cash at bank		<u>659,152</u>	<u>493,743</u>
		1,715,181	1,616,203
<b>CREDITORS</b>			
Amounts falling due within one year	18	(324,838)	(339,286)
		<u>1,390,343</u>	<u>1,276,917</u>
<b>NET CURRENT ASSETS</b>			
		4,167,895	3,846,063
<b>CREDITORS</b>			
Amounts falling due after more than one year	19	(369,254)	(369,254)
<b>NET ASSETS</b>		<u>3,798,641</u>	<u>3,476,809</u>
<b>FUNDS</b>	21		
Unrestricted funds (including Property Revaluation Reserve 2017 - £33,104 2016 - £33,104)		3,519,197	3,168,070
Restricted funds		<u>279,444</u>	<u>308,739</u>
<b>TOTAL FUNDS</b>		<u>3,798,641</u>	<u>3,476,809</u>

The notes form part of these financial statements


MONMOUTH DIOCESAN BOARD OF FINANCE

BALANCE SHEET - CONTINUED  
AT 31 DECEMBER 2017

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 17 September 2018 and were signed on its behalf by:

  
.....  
Venerable T H A Mason -Trustee

  
.....  
P E Lea -Trustee

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	31.12.17 £	31.12.16 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>191,032</u>	<u>21,620</u>
<b>Net cash provided by (used in) operating activities</b>		<u>191,032</u>	<u>21,620</u>
 <b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(3,884)	(5,746)
Purchase of fixed asset investments		(434,308)	(2,039,889)
Sale of fixed asset investments		312,342	1,539,111
Interest received		1,213	3,864
Dividends received		<u>99,014</u>	<u>60,179</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(25,623)</u>	<u>(442,481)</u>
 <b>Change in cash and cash equivalents in the reporting period</b>			
		165,409	(420,861)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>493,743</u>	<u>914,604</u>
 <b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>659,152</u></u>	<u><u>493,743</u></u>

The notes form part of these financial statements



**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.17	31.12.16
	£	£
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	321,832	295,561
<b>Adjustments for:</b>		
Depreciation charges	9,557	10,115
(Gain)/losses on investments	(17,810)	500
Interest received	(1,213)	(3,864)
Dividends received	(99,014)	(60,179)
Unrealised Investment Gains/Losses	(74,303)	(166,100)
Decrease/(increase) in debtors	66,431	(23,688)
Decrease in creditors	<u>(14,448)</u>	<u>(30,725)</u>
<b>Net cash provided by (used in) operating activities</b>	<u>191,032</u>	<u>21,620</u>

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

There are no material uncertainties in relation to going concern.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. ACCOUNTING POLICIES - continued**

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Allocation and apportionment of costs**

Administrative and management costs are allocated to the function of the charity to which they relate. The method of allocation has been on a percentage basis of the overall cost of that particular function.

Further detail of the nature and apportionment of these costs is set out below:-

	2017	2016
	£	£
Heat, Light and Water	3,283	3,621
Telephone, fax and Internet	8,274	7,633
Printing, Postage and Stationery	8,814	8,726
Furniture and Computer Expenses	5,188	3,012
Equipment Leasing Charges	6,113	5,780
Repairs and Renewals	4,919	2,123
Caretaker/Cleaning	4,777	5,456
Miscellaneous	8,835	10,922
Employee costs (including £43,500 termination costs)	170,041	148,650
Recruitment Costs	931	3,387
Depreciation	9,557	10,115
Auditor's remuneration	10,602	8,598
Legal fees	1,525	1,057
Diocesan Registrar	25,540	25,192
Diocesan Insurance	5,391	5,578
Diocesan Conference Costs	4,477	4,913
Governing Body Expenses	<u>11,750</u>	<u>11,776</u>
	<u>290,017</u>	<u>266,539</u>

	2017	2016
	£	£
Support for Ministry	236,238	214,664
Support for Parishes	32,158	31,887
Support for Other Church Property	7,998	5,054
Grants & Other Financial Support	10,127	11,376
Communications	<u>3,496</u>	<u>3,558</u>
	<u>290,017</u>	<u>266,539</u>

## MONMOUTH DIOCESAN BOARD OF FINANCE

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2017

#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

Expenditure on small items of furniture, fixtures and fittings (typically less than £100) is written off in the year in which the expenditure is incurred. Equipment depreciation has been calculated so that assets are written off over their estimated useful lives at the following rates :-

Equipment and larger Furniture and Fittings - 33% straight line

##### **Land and Buildings**

No depreciation is provided on Land and Buildings. The property was valued by a professional valuer in 2010. The value is reviewed annually by the Trustees.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

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

##### **Investments**

All investments are held in the name Brewin Dolphin on behalf of Monmouth Diocesan Board of Finance. The Monmouth Diocesan Board of Finance has approved the management of the investment portfolio on a discretionary management basis. All investments and associated gains and losses are included on a market value basis.

##### **Pension costs and other post-retirement benefits**

The Monmouth Diocesan Board of Finance operates a defined contribution pension scheme on a money purchase basis.

##### **Financial Instruments**

The Charity 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 the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise cash at bank and in hand, short term cash deposits and debtors. Financial liabilities held at amortised cost comprise the charity's short and long term creditors. No discounting has been applied to these financial instruments on the basis that the periods over which the accounts will be settled are such that any discounting would be immaterial.

Investments held as part of the investment portfolio are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date, the charity held financial assets at amortised cost of £1,374,026 (2016 £1,446,130), Investment assets at fair value through income and expenditure account of £2,459,555 (2016 £2,745,476) and financial liabilities at amortised cost of £694,092 (2016 £708,540).



**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**2. DONATIONS AND LEGACIES**

	31.12.17	31.12.16
	£	£
Legacies	20,000	-
Parish Share	2,181,982	2,221,154
RB Block Grant	956,335	956,335
Grants Received Parsonage Board	15,710	10,590
RB Contribution to Diocesan Advisory Comm	8,333	8,333
Specific Fund Donations	180	390
Ecclesiastical Insurance Group Rebate/ Grant	22,317	11,158
RB Transformation Fund	<u>166,667</u>	<u>166,667</u>
	<u>3,371,524</u>	<u>3,374,627</u>

**3. OTHER TRADING ACTIVITIES**

	31.12.17	31.12.16
	£	£
Rental of Parsonages	86,247	95,399
Room Letting and Miscellaneous Fees	<u>603</u>	<u>733</u>
	<u>86,850</u>	<u>96,132</u>

**4. INVESTMENT INCOME**

	31.12.17	31.12.16
	£	£
Dividends	99,014	60,179
Deposit account interest	<u>1,213</u>	<u>3,864</u>
	<u>100,227</u>	<u>64,043</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

	31.12.17	31.12.16
	£	£
Administration Fees		
(External)	15,000	13,500
Other income	<u>1,159</u>	<u>1,636</u>
	<u>16,159</u>	<u>15,136</u>

**6. OTHER INCOME**

This relates to funds Transferred to the Board of Finance.

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**7. RAISING FUNDS**

**Investment management costs**

	31.12.17	31.12.16
	£	£
Portfolio management	<u>14,587</u>	<u>11,196</u>

**8. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 9)	Totals
	£	£	£
Support for ministry	2,479,244	236,238	2,715,482
Support for parishes	334,634	32,158	366,792
Support for other church property	83,834	7,998	91,832
Grants and other financial support	106,167	10,127	116,294
Communications and publications	<u>36,643</u>	<u>3,496</u>	<u>40,139</u>
	<u>3,040,522</u>	<u>290,017</u>	<u>3,330,539</u>

**9. SUPPORT COSTS**

	Management	Governance costs	Totals
	£	£	£
Support for ministry	187,945	48,293	236,238
Support for parishes	25,584	6,574	32,158
Support for other church property	6,364	1,634	7,998
Grants and other financial support	8,058	2,069	10,127
Communications and publications	<u>2,781</u>	<u>715</u>	<u>3,496</u>
	<u>230,732</u>	<u>59,285</u>	<u>290,017</u>

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.12.17	31.12.16
	£	£
Auditors' remuneration	10,602	8,598
Depreciation - owned assets	<u>9,557</u>	<u>10,114</u>

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**11. TRUSTEES' REMUNERATION AND BENEFITS**

None of the Directors have received any emoluments from the Monmouth Board of Finance in respect of their services performed as director.

The clerical Directors receive stipend and accommodation from the Representative Body of the Church in Wales by virtue of their clerical office. The Monmouth Board of Finance contributes towards these costs but they are not employees of the Board of Finance.

**Trustees' expenses**

None of the Directors received travel expenses from the Monmouth Board of Finance during 2017 (2016 Nil) in the course of services performed as a director.

The Archdeacons and Area Deans received reimbursement of expenses incurred in relation to their offices as Archdeacons and Area Deans. This reimbursement amounted to £14,525 (2016 £12,637)

**Trustees Indemnity Insurance**

From 2013 onwards, the cost of insurance to indemnify Trustees became an integral part of the charity's block policy (total premium £5,391 and is no longer identifiable as a separate charge (2016 £5,578).

This is now a standard practice across the charitable sector and is meant to help safeguard Trustees from personal liability arising from any neglect on their part other than as a result of reckless acts.

**12. STAFF COSTS**

	2017	2016
	£	£
Gross Salaries - Administration, Sector Ministry and Support Staff	237,810	328,023
Total Gross Payments to Ancillary Staff	14,861	25,684
Salary of the Diocesan Registrar	23,019	22,836
Total Employer's NIC (Net of SMP & NIC Rebate Recovered)	15,289	30,507
Total Pension Costs	<u>20,850</u>	<u>37,006</u>
	<u>311,289</u>	<u>444,056</u>

No employees received employee benefits of more than £60,000.

The average number of employees was 15 (2016- 18) This is based on any member of staff with an employment contract regardless of the number of hours worked.

Payments to Ancillary Staff are repaid by the University of South Wales.

Salaries include £43,500 relating to staff termination payments during the year.

Key management personnel compensation amounted to £156,721 (2016 £185,826). This includes the Director of Education whose costs have been charged to Monmouth Diocesan Trust.

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	3,334,504	40,123	3,374,627
<b>Charitable activities</b>			
Grants and other financial support	15,136	-	15,136
Other trading activities	-	96,132	96,132
Investment income	55,339	8,704	64,043
Other income	86	-	86

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued</b>	Unrestricted funds £	Restricted funds £	Total funds £
<b>Total</b>	3,405,065	144,959	3,550,024
<b>EXPENDITURE ON</b>			
Raising funds	10,276	920	11,196
<b>Charitable activities</b>			
Support for ministry	2,213,310	532,678	2,745,988
Support for parishes	407,470	-	407,470
Support for other church property	64,579	-	64,579
Grants and other financial support	83,178	62,188	145,366
Communications and publications	45,463	-	45,463
<b>Total</b>	2,824,276	595,786	3,420,062
<b>Net gains/(losses) on investments</b>	160,590	5,009	165,599
<b>NET INCOME/(EXPENDITURE)</b>	741,379	(445,818)	295,561
<b>Transfers between funds</b>	(433,752)	433,752	-
<b>Net movement in funds</b>	307,627	(12,066)	295,561
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	2,860,444	320,804	3,181,248
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>3,168,071</u>	<u>308,738</u>	<u>3,476,809</u>

**14. BOARD OF FINANCE GRANTS**

	2017	2016
	£	£
Bishop's Hardship Fund	6,000	6,000
Dean & Chapter St Woolos	48,500	48,000
C T N W	-	-
Bishop's Mission & General Fund	6,000	6,000
Churches Emergency Aid Fund	16,667	16,667
	<u>77,167</u>	<u>76,667</u>



**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**15. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2017	310,000	32,706	342,706
Additions	-	3,884	3,884
Disposals	-	<u>(5,681)</u>	<u>(5,681)</u>
At 31 December 2017	<u>310,000</u>	<u>30,909</u>	<u>340,909</u>
<b>DEPRECIATION</b>			
At 1 January 2017	-	19,036	19,036
Charge for year	-	9,557	9,557
Eliminated on disposal	-	<u>(5,681)</u>	<u>(5,681)</u>
At 31 December 2017	<u>-</u>	<u>22,912</u>	<u>22,912</u>
<b>NET BOOK VALUE</b>			
At 31 December 2017	<u>310,000</u>	<u>7,997</u>	<u>317,997</u>
At 31 December 2016	<u>310,000</u>	<u>13,670</u>	<u>323,670</u>

Freehold property was revalued in 2010 by an independent professional valuer - (Newland Rennie Wilkins) on the basis of market value. The original cost of the property was £276,896.

**16. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 1 January 2017	2,245,476
Additions	434,308
Disposals	<u>(294,532)</u>
Revaluations	<u>74,303</u>
At 31 December 2017	<u>2,459,555</u>
<b>NET BOOK VALUE</b>	
At 31 December 2017	<u>2,459,555</u>
At 31 December 2016	<u>2,245,476</u>

There were no investment assets outside the UK.

The historical cost of the investment at 31st December 2017 is £2,221,361. (2016- £2,046,469)

Investments relate to listed investments.

All investments are held in the name of Brewin Dolphin and stated at market value as supplied by our own investment advisors. The Monmouth Diocesan Board of Finance has approved the management of the investment portfolio on a discretionary management basis. All investments and associated gains and losses are included on a market value basis.

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**17. DEBTORS**

	31.12.17	31.12.16
	£	£
Amounts falling due within one year:		
Share Debtors less unpaid share provision	617,466	606,624
Sundry Debtors and Accrued income	<u>69,309</u>	<u>146,582</u>
	<u>686,775</u>	<u>753,206</u>
Amounts falling due after more than one year:		
Due from Parishes re Provincial Housing Loans	310,250	310,250
Due from Parishes re Curates Housing Loans	<u>59,004</u>	<u>59,004</u>
	<u>369,254</u>	<u>369,254</u>
Aggregate amounts	<u>1,056,029</u>	<u>1,122,460</u>

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.17	31.12.16
	£	£
Representative Body Loans	-	-
Sundry Creditors and accrued charges	<u>324,838</u>	<u>339,286</u>
	<u>324,838</u>	<u>339,286</u>

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.17	31.12.16
	£	£
Representative Body Loans	<u>369,254</u>	<u>369,254</u>

All loans are repayable to the Representative Body of the Church in Wales but are guaranteed by the Monmouth Diocesan Board of Finance.

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds	Restricted funds	31.12.17 Total funds	31.12.16 Total funds
	£	£	£	£
Fixed assets	317,997	-	317,997	323,670
Investments	2,300,454	159,101	2,459,555	2,245,476
Current assets	1,589,469	125,712	1,715,181	1,616,203
Current liabilities	(319,469)	(5,369)	(324,838)	(339,286)
Long term liabilities	<u>(369,254)</u>	<u>-</u>	<u>(369,254)</u>	<u>(369,254)</u>
	<u>3,519,197</u>	<u>279,444</u>	<u>3,798,641</u>	<u>3,476,809</u>

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**21. MOVEMENT IN FUNDS**

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.17 £
<b>Unrestricted funds</b>				
General fund	3,134,966	779,886	(428,759)	3,486,093
Revaluation Reserve	33,104	-	-	33,104
	<u>3,168,070</u>	<u>779,886</u>	<u>(428,759)</u>	<u>3,519,197</u>
<b>Restricted funds</b>				
Parsonage Board Fund	63,613	(468,606)	425,993	21,000
Churches and Pastoral Committee Funds	245,126	10,552	2,766	258,444
	<u>308,739</u>	<u>(458,054)</u>	<u>428,759</u>	<u>279,444</u>
<b>TOTAL FUNDS</b>	<u>3,476,809</u>	<u>321,832</u>	<u>-</u>	<u>3,798,641</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	3,421,062	(2,726,767)	85,591	779,886
<b>Restricted funds</b>				
Parsonage Board Fund	117,014	(585,620)	-	(468,606)
Churches and Pastoral Committee Funds	36,769	(32,739)	6,522	10,552
	<u>153,783</u>	<u>(618,359)</u>	<u>6,522</u>	<u>(458,054)</u>
<b>TOTAL FUNDS</b>	<u>3,574,845</u>	<u>(3,345,126)</u>	<u>92,113</u>	<u>321,832</u>

**Comparatives for movement in funds**

	At 1.1.16 £	Net movement in funds £	Transfers between funds £	At 31.12.16 £
<b>Unrestricted Funds</b>				
General fund	2,827,340	741,378	(433,752)	3,134,966
Revaluation Reserve	33,104	-	-	33,104
	<u>2,860,444</u>	<u>741,378</u>	<u>(433,752)</u>	<u>3,168,070</u>
<b>Restricted Funds</b>				
Parsonage Board Fund	46,590	(406,862)	423,885	63,613
Churches and Pastoral Committee Funds	274,214	(38,955)	9,867	245,126
	<u>320,804</u>	<u>(445,817)</u>	<u>433,752</u>	<u>308,739</u>
<b>TOTAL FUNDS</b>	<u>3,181,248</u>	<u>295,561</u>	<u>-</u>	<u>3,476,809</u>

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**21. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	3,405,065	(2,824,277)	160,590	741,378
<b>Restricted funds</b>				
Parsonage Board Fund	125,815	(532,677)	-	(406,862)
Churches and Pastoral Committee Funds	<u>19,144</u>	<u>(63,108)</u>	<u>5,009</u>	<u>(38,955)</u>
	144,959	(595,785)	5,009	(445,817)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUNDS</b>	<u><u>3,550,024</u></u>	<u><u>(3,420,062)</u></u>	<u><u>165,599</u></u>	<u><u>295,561</u></u>

**RESTRICTED FUNDS**

Restricted Funds are those funds which are limited by the terms and conditions of the fund and can be used for specific purposes only.

The Parsonage Board Fund is restricted for the maintenance of parsonages.

The Churches and Pastoral Committee Fund is restricted for the support of church maintenance and related pastoral care.

**Transfers between funds**

	Unrestricted £	Designated £	Restricted £	Total £
DBF Contribution to Parsonage Board	(375,000)	-	375,200	-
DBF Contribution to Support Costs	(48,759)	-	48,759	-
DBF Contribution to C & P Committee	<u>(5,000)</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
	<u>(428,759)</u>	<u>-</u>	<u>428,759</u>	<u>-</u>

**22. RELATED PARTY DISCLOSURES**

The Monmouth Diocesan Board of Finance has a longstanding and ongoing administrative relationship with the Monmouth Diocesan Trust. This function is charged out to the Trust annually and amounted to £15,000 for 2017 (£13,500 for 2016 and is accounted for within incoming resources).

**23. SHARE CAPITAL**

As the company is limited by guarantee, there is no share capital. The liability of each member in the event of winding up is limited to £1.

**MONMOUTH DIOCESAN BOARD OF FINANCE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**24. FUNDS HELD AS CUSTODIAN FOR OTHERS**

Trustees act as custodian trustees for certain parish assets (both land and investments) held on behalf of those parishes. Where funds are held or managed for parishes, these are either held in a dedicated bank account or can be easily identified in the books of the DBF.

	Balance at 01.01.17	Movement in Resources		Balance at 31.12.17
	£	Income £	Expended £	£
Audio-Visual Accumulated Fund	710	-	-	710
Diocese of the High Veld	1,525	5,449	6,774	200
Archbishops children fund	-	246	-	246
Council for Social Responsibility	28,268	-	-	28,268
Llanfair Kilgeddin	357	16	-	357
Usk - Gwehelog	103		103	-
Parish units	2,034	190	1,822	402
Sector Ministry Funds - Young People	23,783	13,902	-	23,783
Ministry Clergy School	6,000	3,000	-	9000
Monmouth Mission Hall	71,753	-	71,753	-
University of S Wales Chaplaincy costs	<u>9,350</u>	<u>9,350</u>	<u>-</u>	<u>9,350</u>
	<u>143,884</u>	<u>8,884</u>	<u>83,852</u>	<u>68,915</u>