

## Bishop's Council

<b>Paper Reference</b>	4
<b>Title</b>	AGM of the Salisbury Diocesan Board of Finance, Annual Report and Accounts 2023 and appointment of auditors
<b>Meeting and Date</b>	18 <sup>th</sup> June 2024
<b>Paper submitted by</b>	Antony MacRow-Wood
<b>Last considered by this meeting on (if applicable)</b>	NA
<b>Background including any previous outcome(s)</b>	
<b>What is required of this meeting? Note/Receive/Decision/Action</b>	<p><u>To approve the following Motions:</u></p> <p><b>2023 SDBF Annual Report and Accounts</b> The Chair of the Diocesan Board of Finance to move: <i>“That the Diocesan Board of Finance <b>receives</b> the Directors’ and Trustees’ Report and Consolidated Financial Statements for the year ended 31 December 2023.”</i></p> <p><b>Appointment of Auditors</b> The Chair of the Diocesan Board of Finance to move: <i>“That the Diocesan Board of Finance <b>approves</b> the appointment of Haysmacintyre as the auditors for the Diocesan Board of Finance for financial year to 31st December 2024.”</i></p>
<b>State the relevant mandate of this committee that enables it to take the above action. (Decision-making vs advisory as per TOR / SO / legislation)</b>	As members of the Diocesan Board of Finance Ltd.
<b>Please explain any acronyms not explained in the text.</b>	



**Diocese  
of Salisbury**  
Making  
Jesus Known



**Annual Review  
2023**



**“The Spirit of the Lord is on me, because he has anointed me to proclaim good news to the poor. He has sent me to proclaim freedom for the prisoners and recovery of sight for the blind, to set the oppressed free, to proclaim the year of the Lord’s favour.”**

LUKE 4: 18 – 19

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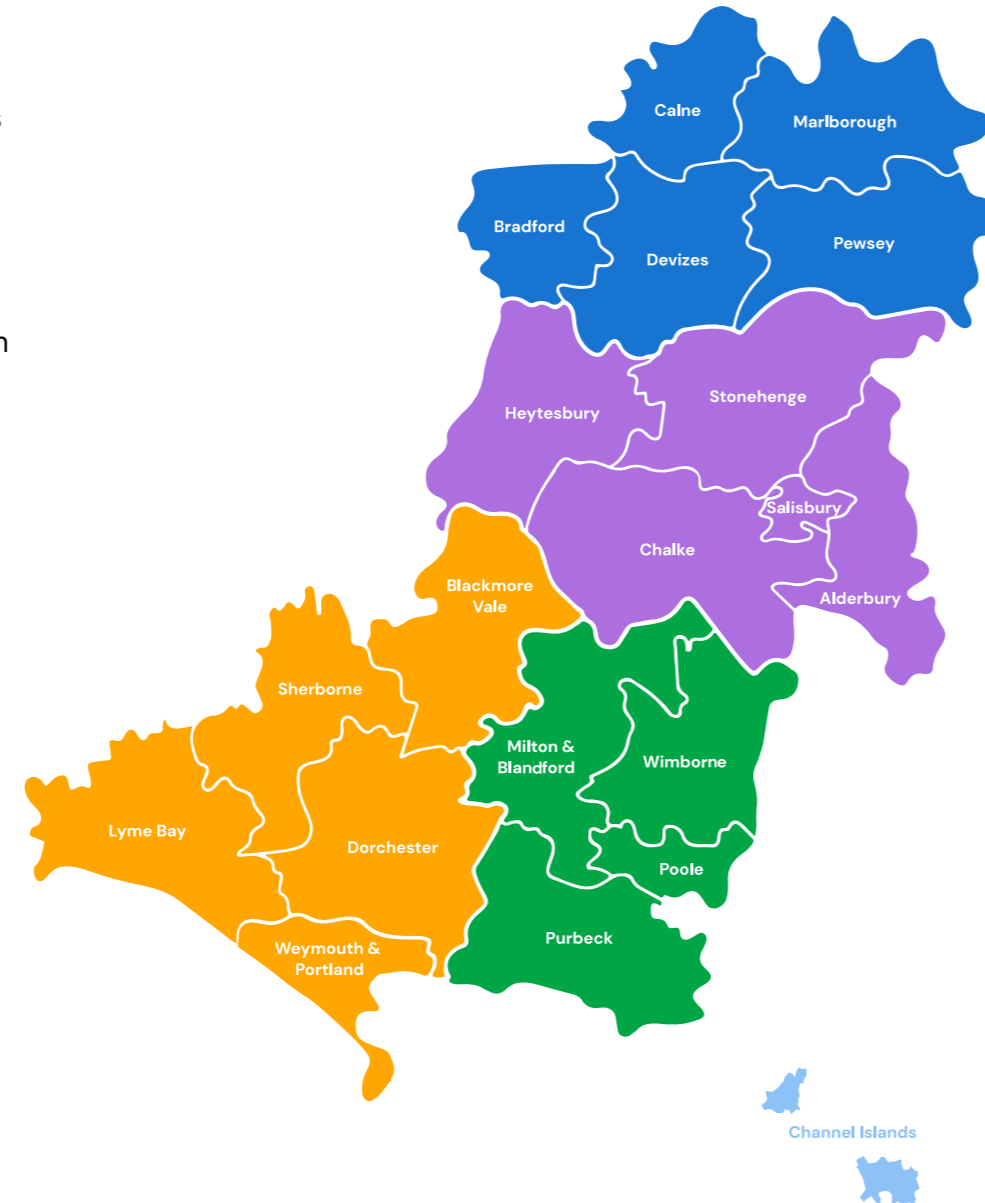
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# The Diocese of Salisbury

From the North Wessex Downs to the Channel Islands, the Diocese of Salisbury is a Christian community of people in churches, schools and chaplaincies serving one million people, stretching over 2000 square miles.

We're one of the most geographically diverse Anglican dioceses, covering a wide range of landscapes, from rural villages to the diversity of Poole and North Bournemouth. For more than 1,300 years we have been a regional presence of the Church of England, with a history of serving our communities through prayer and practical action. We are committed to encouraging people to explore their faith in Jesus Christ and discover how God's love can transform lives.



## Introduction

As a diocese, we have been looking more and more at a key text from the Gospels to guide us as together, we seek to Make Jesus Known.

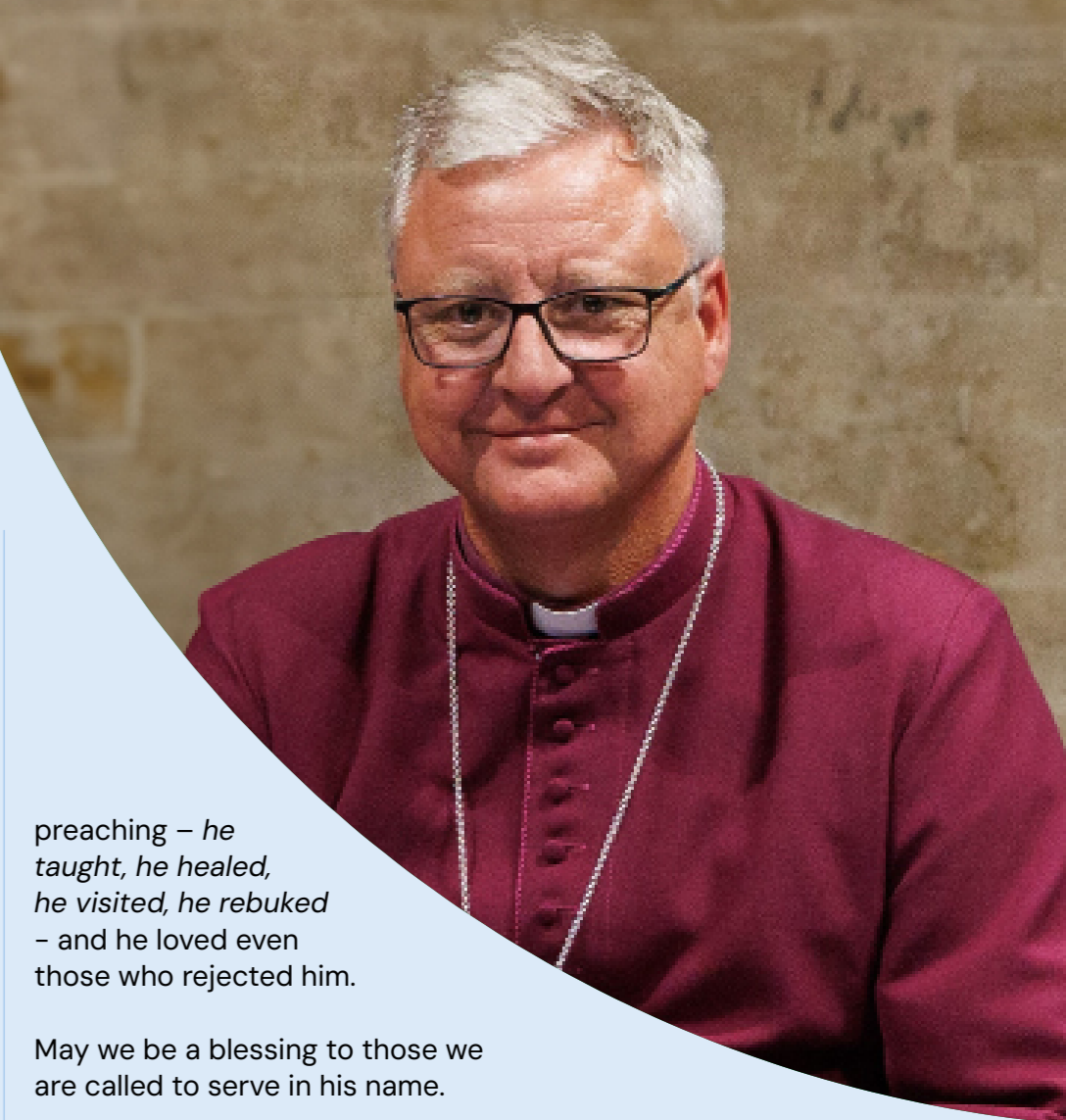
In Luke chapter 4, Jesus returns from his temptations to his hometown of Nazareth. There he goes to the synagogue, the place of local worship, and reads from the prophecy of Isaiah. This is his Nazarene Manifesto, his summary of his mission and forthcoming ministry. Please do look at Luke 4.16-21 but also the whole of the chapter for context.

Initially, the response was positive towards Jesus. But as his priorities and message became clear, as it gradually dawned upon his listeners – 'good news to the poor, release to captives' – the mood quickly changed. They didn't like what they heard, and the change that would be required for them if they were to follow him. It turned nasty rapidly! We see so much of this in our world today. We know what to do, but

internal divisions, power struggles, conflicts and lack of trust seem to be the order of our day. In 2024, manifestos will be proclaimed, but none of them will offer costly healing or reconciliation.

Right across the diocese and in the Channel Islands, Christians are seeking to follow where Jesus is already making himself known. We have many challenges, around sustainable finances, around our age profile and around making a difference. As I travel around, I am amazed at the sacrifices so many of you make and the reaching out to others, especially those in need or just different from ourselves. Thank you to all whose ministry, lay and ordained, is represented in this annual review.

I believe that God is faithful and that we have a specific calling to these times. It will require church to be different, and it will require church to be where people are. In that chapter of Luke, Jesus goes on from Nazareth to embody his



preaching – he taught, he healed, he visited, he rebuked – and he loved even those who rejected him.

May we be a blessing to those we are called to serve in his name.

The Rt Revd Stephen Lake  
Bishop of Salisbury



## What is our Vision?

### Making Jesus Known – the vision for the next decade.

Our diocesan vision to be making Jesus Christ Known in every place, so that all may flourish and grow, seeking his Kingdom here and now.

The vision is rooted in the passage of the Bible known as the Nazarene manifesto.

To make the Lord known we need to know him more ourselves – and encourage others to know more fully the life of his coming kingdom. To know Jesus is to follow him and through listening to people across the diocese over the last 18 months, five paths have been identified to follow to transform our life together.



Find out more about the vision and the areas of work here: [salisbury.anglican.org/making-jesus-known/](https://salisbury.anglican.org/making-jesus-known/)

## How are we achieving the Vision?

### Making Jesus Known is an invitation and call to action for everyone across the diocese.

Implementing a shared vision and strategy recognises that God is already at work in our lives and communities, in our places and our time. With prayerful intent it is an opportunity to step into new ways of doing things and partnerships with others.

Each of the five strategy priority areas give a particular flavour to mission in these times. They recognise that we are not alone in our calling, which is shared with others in schools, churches and community groups. They recognise that we live in a particular time and place with local and global challenges. Being disciples of Jesus today, we are invited to be and do things guided by the central 'Nazareth manifesto' of Luke 4. We will be responding to the climate crisis and addressing the deep inequalities of our times.

While there will be diverse opportunities across the diocese for **Making Jesus Known**, there are also things we can best do together. Towards this, the Diocesan Board of Finance is stepping into a more planful and accountable way of working guided by the Bishop's Council.

The vision and strategy is for ten years and 2023 involved taking some early enabling steps including engaging creatively in the partnership between church, school and community and Synod agreeing our headline net zero carbon plan. In 2024 we will be launching our new Share scheme as we step more fully towards financial sustainability.

**"A time of huge turmoil and uncertainty requires courageous Christian leadership."**

**David Pain**  
Diocesan Secretary

In implementing our vision and strategy we are invited to hold together a rigorous honesty about the challenges we face and draw upon the wellspring of faith, hope and love in and through Jesus, Christ.





# The Archbishop's Mission

The Archbishop of Canterbury's mission weekend was a fruitful and blessed time for Christians across the diocese.

Taking place from 9–11 June, Archbishop Justin and the Salisbury team covered nine locations (and events) in three days meeting more than 2000 people. The weekend was a great encouragement, allowing encounter and discussion with children and young people, congregations, prisoners and the wider community, all of which led to a growth in confidence for stepping out in faith and **Making Jesus Known**, inspired by the Archbishop.



- Locations**
- MOD Lyneham
  - Archbishop Wake CE Primary School
  - Church of the Good Shepherd, Rossmore

With approximately 40% of military being based in the diocese it was a fitting start to the weekend to visit MOD Lyneham Military base. The Archbishop met with trainees, soldiers and chaplains taking part in a Q and A, including answering questions about Archbishop Justin's trip to Ukraine and the maintaining of faith at life's lowest points. He then went on to Archbishop Wake CE primary school in Blandford Forum. Daniel Carter, headteacher said students who often struggle to feel that they belong were left with an overwhelming sense of positivity.

The Archbishop joined in an act of worship and chatted to parents who arrived to pick up their children at the end of the school day. Later, Archbishop Justin spent time with members of the Gypsy, Roma and Traveller community and Revd Jonathan Herbert (Chaplain to the community) said they were moved by the Archbishop's presence and openness.



- Locations**
- Portland
  - Resound, SML Poole
  - St John's and Hope House, Weymouth

Local leaders and the Christian community from Weymouth and Portland were invited to spend time with the Archbishop in discussions over breakfast. He then embarked on a walk along Weymouth seafront, led by Bishop Karen, where he stopped and prayed for many who wanted to speak with him. He spent time with members of the youth group at Hope House in Weymouth and joined in an outdoor service before meeting over 300 youth celebrating and worshipping together in St Mary's, Longfleet at the 'Resound' event. This was Resound's largest event so far. A real emphasis was given on the love of God, the acknowledgement of struggles teens often experience and the real questions 11–18 year olds want to ask.



- Locations**
- HMP Erlestoke
  - St Michael's Primary School
  - Salisbury Cathedral

The morning began in HMP Erlestoke, with prisoners and volunteers in the Chapel. Jacqui Clark, Prison Chaplain at the time explained *"The men were so overwhelmed by the visit and by all those that attended... they were surprised how approachable the Archbishop and Bishop were"*. It was incredible and humbling to hear the men's stories of coming to faith.

At St Michael's Primary School, Larkhill Archbishop Justin joined the 'Star Club' as part of the diocesan Community Hub work. The connection between the church and school was beautifully demonstrated here, it was great to see so many families involved and connecting with each other, as well as the children's beautifully made Mitres!

The weekend concluded with a celebratory outdoor service and signing of the Armed Forces Covenant (pledges to current and ex-military) in the Cathedral close and Cathedral. The service ended with a commissioning of our vision of **Making Jesus Known** by Archbishop Justin.





# Supporting Parishes

The area offices and Parish Support team are the main point of contact for parishes across the diocese.

We help people to book training courses, complete forms, find contact details or information, help with Church Representation Rules and other parish governance enquiries, and we listen to your feedback.

The team also supports DBF staff with matters of HR, IT, health & safety and office management.

The area offices are responsible for; Bishop and Archdeacons administration, clergy and lay vacancies, Permission to Officiate requests and visitations.

During 2023 the team coordinated the diocesan office relocation after 142 years from Church House in Salisbury, to Emmaus House in Wilton. This included many skips, hundreds of confidential waste bags and distributing furniture, stationery and other goods to charities, schools and our parishes. The new shared location will enable cost savings for the DBF in future years.



Each week, we receive and administer over

**250** calls  
**200** emails

from parishes and the general public, providing assistance and support

Provided advice and support to parishes about their responsibilities around Annual Parochial Council Meetings

Provided advice and resources to help parishes with elections for more than

**1,300**  
lay deanery representatives

Our HR team support clergy and parishes with HR enquiries and offer simple guidance to navigate employee legislation

We arranged and provided administrative support for

**58** CMD courses

attended by 678 clergy and lay people and 61 safeguarding courses attended by 602 clergy, parish safeguarding officers, lay ministry and PtO's

Supported

**463** parishes

to submit Mission Stats

**359** parishes

to submit Finance Statistics Returns

Organised and provided administrative support for Diocesan Synod, Bishop's Council and other key governing bodies, as well as for Clergy and Archdeaconry Days

Annually the team liaise with PCC secretaries to review and update the details of over

**3,000** key parish roles

as part of the 'Parochial Information Form' process

We assisted clergy and parishes exploring options and possibilities

In 2023 we supported schemes to dissolve the benefice of Chickerell with Fleet, moving Chickerell into the parish of Radipole and Melcombe Regis and the parish of Fleet to the benefice of Weymouth St Paul; created the Blackmore Vale Pilgrim Group ministry

for the benefices of Hazelbury Bryan and the Hillside Parishes, Okeford, Spire Hill, Sturminster Newton, Hinton St Mary and Lydlinch and Marnhull; united the parishes of Atworth with Shaw and Whitley; terminated the Portland Team Ministry and renamed as the benefice

of Portland; transferred the parish of Maiden Bradley to the benefice of Upper Stour; united the parishes in the benefice of Upper Kennet and benefice of Bride Valley with the benefice of Abbotsbury, Portesham and Langton Herring.





## Work of the Church Buildings Team

The DAC has seen another busy year of assisting parishes in the care for their church buildings.

The number of faculty applications seen by the DAC at their monthly meetings totalled 83. This was down compared to last year which saw 119. This was offset by an increase in completed list B applications which rose by 19 to a total of 158 compared to last year. This difference is likely attributed to a change in the faculty rules which has permitted more work to be undertaken without faculty.

It is not just applications that the DAC and Church Buildings Team have been busy with. The DAC attended a total of 38 site visits throughout the year and offered their advice to the chancellor a total of 22 times on various subjects related to churches. There have been several training events run by the DAC and CBT ranging from churchyards to building conservation. These are always well received and attended and will continue into 2024. On top of that the DAC revived the DAC awards. This saw the DAC narrow down all the applications received since 2019 to pick out a winner and runner up in 3 categories, Conservation, Environment, and Innovation. The awards were handed out at an event in Salisbury by the Bishop of Ramsbury, Andrew Rumsey.

2023 also saw the return of the Architects Day held at the impressive St Mary and St Nicholas church in Wilton. This was a great opportunity for the DAC and approved inspectors to collaborate and explore ways in which we can improve the assistance to parishes. Subjects covered the churchyard regulations, contested heritage, and net zero.

The year finished off with appointing two new members of staff. Emily Carter is permanently joining the team as the Building Conservation and Sustainability Officer. Toni Bush is joining the team for the next two years as the Community Enabler Officer as part of a funded post through the central Buildings for Mission initiative.



## Growing Faith

We aspire for every aspect of our work to be viewed through the lens children, young people, their families and communities.

The most effective place to engage with this is in overlap between church, school, home and community. **Making Jesus Known** in this shared space through the opportunity for spiritual encounter, connected communities and imaginative practice as part of the Growing Faith adventure.

Actively listening and enabling young people's voice and leadership is pivotal to the impact of Growing Faith. Alongside the continual enabling of local consultation, working with young people to lead on local community needs, there has been increased engagement with young people's voice on key issues across the diocese. This has included conversations to influence

safeguarding practice, and conversations around family engagement.

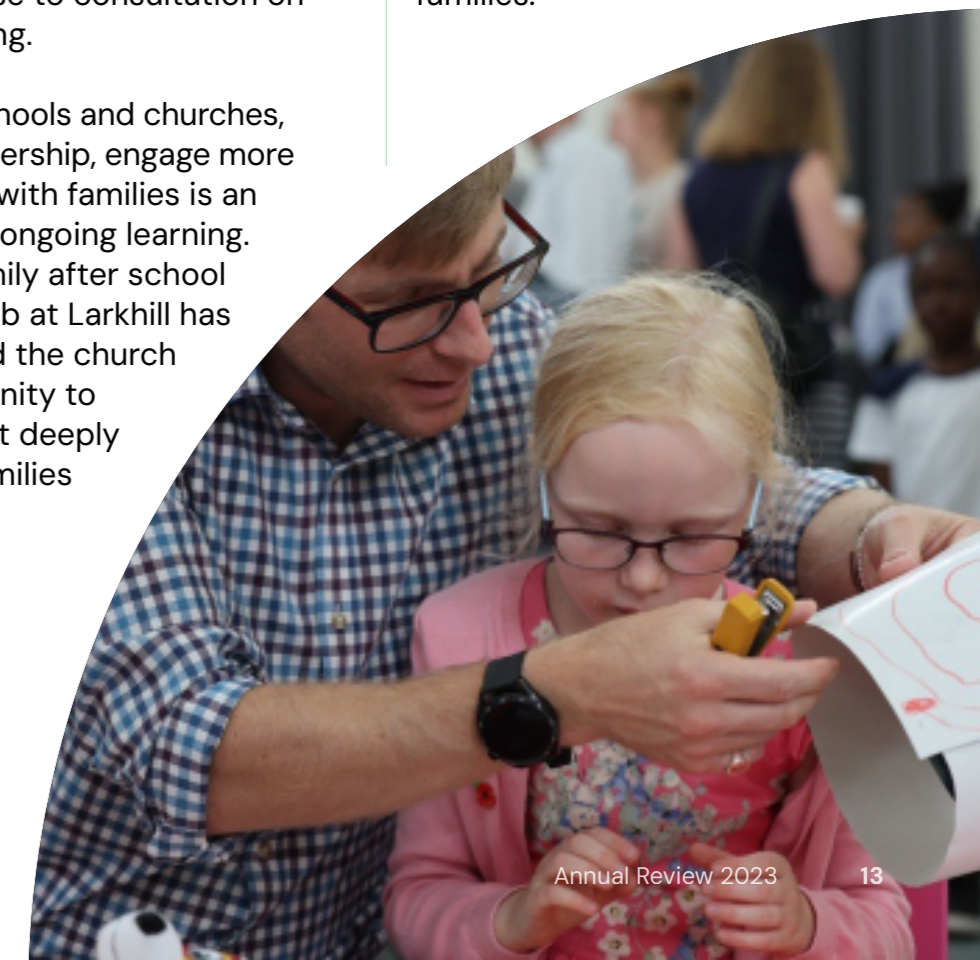
Mental health and wellbeing, with a focus on taking time to reflect and draw on Christian spirituality, has been another area of impact in the last year. Walk and Talk mentoring has been successfully launched in the Wimborne area with St Nicholas church and Lockyers school. A focus of this has been to support the church team to enable the pupils to take time to reflect and draw on Christian spirituality in ways that are inclusive and invitational.

The impact of church and school and community leadership working together is seen in the creation of the Youth Council in Sherborne. This group representing children from all state and independent sector schools, church and community schools is working with the

local council to address the issues young people have identified, for example around climate action. Pupils in Sherborne have also benefitted from the leadership of young people from Shaftesbury who have trained a new team of peer mentors, as part of the response to consultation on wellbeing.

How schools and churches, in partnership, engage more deeply with families is an area of ongoing learning. The family after school Star club at Larkhill has enabled the church community to connect deeply with families there.

Building relationships and supporting the connection into the home through sharing food together and exploring themes related to the school's Collective Worship. Even the Archbishop of Canterbury came to engage in Star club activities and meet with families.





# Safeguarding

## Culture, Leadership and Capacity

In January 2024 the safeguarding team took part in an external safeguarding audit of the Diocesan Board of Finance and Salisbury Cathedral. The audit report commented *“senior leaders demonstrated a willingness to open themselves to direct challenge and no questions were off limits”*.

*“From the leadership teams to the volunteers, there was an absence of hubris, no defensiveness and a desire to learn.”* Safeguarding is regularly on the agenda of senior leadership meetings and Bishop Stephen was assessed by the auditors as a *“relentless advocate of safeguarding and his commitment is demonstrated by deeds not just words”*.

Salisbury Diocese is a Pathfinder Diocese in a national project which has seen the safeguarding team benefitting from supervision and scrutiny from a Regional Safeguarding Lead from the National Safeguarding Team.

## Prevention

2023 saw the launch of the Safeguarding Dashboards, an online tool for parishes which clarifies their safeguarding responsibilities and provides links to relevant resources. The introduction of this tool has seen improvement in safeguarding practices across many parishes in areas such as safer recruitment. It is a focus of 2024 to provide a greater level of support for parishes as they adopt and continue to use their Dashboards.

## Managing Risk

The safeguarding team continue to use the National Casework Management System ‘My Concern’ and are seeking to refine and standardise how concerns and cases are recorded. This will allow greater analysis of trends and therefore a more effective response to needs and allocation of resources.

## Survivors and victims

Quotes from victims and survivors who have worked with the diocesan Safeguarding Advisors and our Independent Sexual Violence Advisor.

**‘I am always so grateful for your communications – and just for knowing that you’re there!’**

**‘I have found my contact with [the DSA] and [the ISVA] of the highest quality and I am very grateful for this.’**

**‘Thank you for the notes of the Core Group. I do appreciate your thoughtfulness and sensitivity towards me.’**

**‘I have been encouraged by our conversations... Bless you for all your hard work to safeguarding people... within the Church of England.’**

**‘You are so wonderfully easy to speak to and a very empathetic listener.’**

## Learning, support and supervision

Some quotes from participants taking part in the leadership course:



**‘I have done many courses in the past but haven’t previously attended one which considered culture in this way. I found this an extremely helpful approach.’**

**‘The course has challenged my thinking and led me to embrace a proactive team approach to safeguarding.’**

**‘The way the course was produced and delivered was excellent, superior to any course I’ve done previously.’**



Thank you to all of you who participate in ensuring the Church is safe and welcoming to all. Our Parish Safeguarding Officers exercise a vital ministry and we are very grateful for their dedication.



# Chaplaincy

In hospitals, care homes, the emergency services, the law courts, police, the deaf and hard of hearing community, the military, schools, university, town centres and shops, charities, businesses and the farming and agricultural community, chaplaincy is thriving.



The Diocese of Salisbury is committed to supporting and growing chaplaincy, which meets the needs of people where they are, out in our communities. It is offered by a diverse range of faithful people, paid and unpaid, clergy and lay, and is a vital part of our vision to establish creative partnerships in ministry and mission.

There has been significant work on the future of chaplaincy in the diocese over the last year. A small group took part in a national conversation at the Developing Chaplaincy Day with Archbishop Stephen Cottrell and are now working on recommendations for the diocese with regard to Chaplaincy support and structures.

A diocesan approach to Chaplaincy across Multi Academy Trusts is also being developed. The Diocese has entered an agreement with BRF Ministries to commission trained and experienced Anna Chaplains to work with older people.

Two people have already been commissioned for this ministry by Bishop Karen with five more commissioned by Bishop Andrew in February 2024. The name Anna chaplaincy recalls the elderly prophetess Anna in the Bible, who was one of the first to recognise the infant Jesus as the Messiah. Working with and supporting our ageing communities is a hugely important chaplaincy role, with a growing need.

The recruitment and training of additional chaplains to the agricultural community is also underway, to build on the work of Canon Richard Kirlew.

This and much more is all bubbling away within this vital ministry as we once again recognise the often unseen but incredible range of people, both lay and ordained, who are faithfully and consistently coming alongside people where they are – almost always outside the walls of the inherited Church and in among wider society.

## The Armed Forces in the Diocese

Historically, the Diocese has hosted members of the Royal Navy, the British Army, and the Royal Air Force. Currently, we are home for 40% of the British Army. During 2023, the Diocese signed the Armed Forces Covenant. The Covenant is our commitment to treat members of the Armed Forces fairly in employment matters, and it allows members of the clergy and Diocesan staff to serve as Reservists and Cadet Force Chaplains.



A number of creative partnerships are progressing. Bishop Stephen and our Vocations team support ministry candidates from the three services. We are aiming to create a network of Armed Forces and Veteran Friendly Churches. Diocesan clergy are working alongside Forces Chaplains in a number of areas, including Moral Injury and Military/Civilian cooperation between parishes and garrisons. Many forces families contribute to our parishes and schools in a variety of ways.

Ven Alan Jeans  
Archdeacon of Sarum

## Gypsy, Roma and Traveller chaplaincy

Alongside the pastoral work with families and advocacy, the chaplaincy also works to educate the settled community about the richness of the cultures of Romany Gypsies, Irish Travellers, Showpeople and New Travellers.

**“Education is a crucial way of breaking down barriers, challenging unhelpful stereotypes and exposing casual and institutional racism endured by nomadic people.”**

Revd Canon Jonathan Herbert  
Chaplain to Gypsy Roma Traveller Community

This year the chaplaincy helped host an awareness day in Borough Gardens in Dorchester and a visit by the Archbishop of Canterbury to launch Gypsy Roma Traveller Friendly Churches. The Chaplaincy is encouraging Churches to reach out to Travellers living nearby.



To help this see the website of Gypsy Roma Traveller friendly Churches [sanctuaryplaces.co.uk](https://sanctuaryplaces.co.uk)

We also helped put on a Roma Holocaust Memorial event at Kingston Maurwood College in Dorchester on August 2nd attended by Bishop Karen. Next year's Roma Holocaust Memorial will be at Sherborne Abbey.

The chaplaincy, with the support of the Bishop's Adviser Canon Rachma Abbott and diocesan staff, hopes to put on a conference at Salisbury Cathedral and Sarum College

exploring the contribution of the Gypsy, Roma and Traveller communities to the Church.





# Working for Justice

**Working for Justice is a path we are committed to following as we focus on Making Jesus Known. Across the diocese this year local church communities have worked to respond to local needs and challenge injustice.**

Responding to Lament to Action, the Church of England's report on racial Justice, has formed a core part of our Social Justice work this year. We were delighted that the Archbishop of Canterbury met with members of the Gypsy, Roma and Traveller community in the diocese. He advocated for a new initiative aimed at reaching out to these communities to encourage and signpost churches to do more to welcome people into worshipping communities. Relationships were further cemented by Bishop Karen's support at the Roma Holocaust memorial event at Kingston Maurward in August, a service remembering the Roma Holocaust. Our chaplain to the GRT community, Jonathan Herbert, spoke at the service.

In St Peter's Church in Dorchester the PCC removed a memorial to a slave owner which used offensive language to describe a slave rebellion he had brutally suppressed. The congregation agreed its continued presence in the building implied support of discrimination and oppression and was inconsistent with the message of the universality of God's love which the community of St Peter's seeks to share. It was the first time a memorial had been removed in this way and attracted international attention. The memorial has now been housed in the Dorset County Museum.

In Weymouth and Portland church communities have played a key role in responding to the arrival of the Bibby Stockholm barge housing asylum seekers, working to provide faith and spiritual support to those who are on

the boat. The support has been led by Rector Nick Clarke, who has now retired, and other clergy including Revd Tim Gomm and Revd Jo Haine, with support from Bishop Stephen and Bishop Karen, and diocesan staff.

As we strengthen our voice and our work in this area under the new vision, we hold before us the example of Jesus's love and ministry to those on the margins, and his manifesto – which underpins our vision – to work for healing, freedom and justice for all.





# Net zero and our climate commitment

The year saw great progress and success with the inclusion of Climate Action as a path in the Making Jesus Known vision and strategy.

The vision and strategy working party worked hard to define and agree what the key priorities are within the Climate Action strand, recommending working to net zero by 2030 and achieving Eco Diocese Silver and beyond.

On the back of this work the General Synod agreed this year the Diocesan Net Zero Action Plan. This detailed plan sets out how the diocese aims to reach net zero by 2030. The net zero action plan does not just deal with carbon emissions however. It also includes Eco Church and how people are to respond in a Christian way to the climate emergency. There is much work to be done but this is a really good start and sets the foundation and direction for the diocesan journey on this most crucial of tasks.

As part of the net zero work we have been awarded a grant to employ a Net Zero specialist to help the most emitting churches complete their energy audits and start work on their own action plans to reach net zero. This work will really set us on the way to mapping out what needs to be done on a local level and how people can get involved. This work is going to evolve throughout the coming years as we look forward to collectively reducing our emissions and caring for God's creation, and all that is within.



# Ministry Formation

This year saw the launch of the Salisbury Way. A new Christian community for 18–30s who wish to grow in faith by meeting together for mutual support, activities and to wrestle with the questions around how best they can contribute to growing the Kingdom of God in their community.

The first cohort in this year – long programme will meet once a month, sometimes on Zoom, sometimes in person, they will spend a weekend on retreat to Hilfield and will plan a pilgrimage adventure together. There is still space for one or two extras, so if you know anyone in your congregation or faith community, please encourage them to get in touch with either Louise Ellis or Nigel Done.

How best to support the vocations of military personnel has been one of the questions the DDO Team has wrestled with this year. The frequency of change of locations for deployed personnel means it has been almost impossible for someone to get beyond square one on the vocations journey towards ordained ministry. In September 2023, we launched the nationally recognised Military Vocations Partnership in which Salisbury DDO Team will support any Services Personnel on their discernment journey towards ordained ministry regardless of where they move. As a consequence of this there are currently six people who are working with the vocations and DDO Team and we expect a good deal more as word gets out.

In 2023, 14 new clergy successfully finished their curacies and were released into leadership roles around the church. Eleven of those clergy are serving in a great variety of roles in Salisbury diocese, some in chaplaincy, many in parishes and one, Revd Caroline Spindlow, is now supporting other curates as our new Ministry Formation Resource Officer. Please pray for them, and the 11 who will set out on this great adventure when they are ordained deacons on 30 June in Salisbury Cathedral.





# Lay Ministry

As well as the continuing supporting of lay ministry in various forms, there have been some exciting new developments this year.

There has been an increase in the number of people entering the vocations process as explorers of lay ministry with the result that six people began training as Licensed Lay Ministers (LLMs) in September 2023, while four were licensed for ministry (having completed their training) on 30 September.

Sarum College responded to feedback from previous students by offering an alternative assessment pathway for LLM training. All students receive the same high-quality teaching and attention to formation, but they have a choice of being formally assessed through the Common Awards framework and receiving a formal academic qualification, or following the 'Julian Pathway' with less formal and more diverse ways of being assessed. This means that although students need to enter the course prepared to invest time in reading, reflection and engagement, they need not necessarily have to write essays!

During the course of 2023, the Diocese of Salisbury entered an agreement with BRF Ministries to commission

suitably trained and experienced Anna Chaplains to work with older people. Two people have already been commissioned for this ministry and five more commissioned by Bishop Andrew in February 24, when we remember the prophetess Anna from whom this ministry takes its name.

Parishes and deaneries have continued to make use of the courses for Lay Worship Leaders and Lay Pastoral Assistants, resulting in the commissioning of 43 new pastoral assistants and 33 worship leaders. Seven people were also commissioned as Lay Pioneers after following the nine-month CMS pioneering course. We continue to explore the possibilities that the diocesan vision will enable for the flourishing of all God's people in various ministries.



# Giving and Fundraising

Across the whole of the diocese, we have seen a significant increase in funds raised from digital giving, as many more churches invested in contactless, QR codes and online giving.



This year our churches are expecting to raise over £300,000 from digital giving, compared with £160,000 in 2022. Really well done! It's been interesting to hear from churches who've raised funds from tourists and visitors, when they hadn't considered themselves to be visitor churches, along with an increase in donations at weddings and baptisms. People want to give to church, and that's so exciting!

The Parish Giving Scheme is now offered by over 200 parishes, resulting in over £2.5 million raised, including Gift Aid, which gets claimed automatically. Online and telephone sign-ups are now the most popular, and the majority choose to increase their giving each year – showing that we really are putting the control into the hands of the giver.

It has been so encouraging to hear about the success of grant funding from six-figure sums for heritage work to grants for kitchen equipment and furniture – it all counts. The process of applying for grants – building a case for support – has been a great way to help us grow confident in our fundraising ask; knowing what the funds are going to do, and why we need them. When we have nailed this, we will be able to ask anyone for anything!

Importantly, we recognise it's not just about raising funds for our buildings, and the things we need. This year we began to look at Going Local with our own church giving; exploring what might happen if we donate to grassroots organisations, who support people in our own parishes.

Giving locally is a powerful way to make a difference, and helps build partnerships between church and community, growing faith using fundraising as ministry. It'll be good to explore this more in 2024.

This year our churches are expecting to raise over

**£300,000**

from digital giving, compared with 160,000 in 2022.



## Property

**The property team has overseen 21 changes of occupancy in vicarages this year, an 110% increase on 2022!**



We have also been able to catch up on the backlog of Quinquennial surveys, (caused predominantly by the pandemic) by completing in excess of 71 surveys over a period of nine months. These are important to assess the condition of properties and determine what repairs and improvements are needed to keep them in good order.

The property team looks after around 250 properties in total. We have only had to purchase one property during 2023. A property acquired at 3 Rowen Drive, Devizes which was for a new curate. Currently 34 are rented on the open market but this is shortly to increase to around 46. This rental income helps to fund ingoing works and some major repairs. It also means when clergy have been appointed, the property is fit to move into straight away, having been brought up to a high standard for renting.

This means properties don't lie empty, reducing security issues and clergy have a suitably welcoming home in which to embark on their ministry.

During the course of 2024 we will continue to map out and embark on our programme of Net Zero works to parsonages. This will help move towards both the Central Government and the Church of England targets. The programme will help deliver reduced running costs for some of our clergy over the coming months and years as work progresses.

### **SDBF Building Consultancy**

The Building Consultancy has had a very busy year working with DSAT Academy Trust, and SDBE schools. We have supported a total of 35 schools in the carrying out of essential refurbishment projects. These works have included safeguarding enhancements, replacement fire alarms, toilet refurbishment, replacement mobile classroom among numerous projects.

The Consultancy has also been working hard on a new church building for Church of the Good Shepherd, Heatherlands in Poole, which is now progressing on site.

## Our Schools

**Salisbury Diocesan Board of Education (SDBE) has continued its work with 192 schools across the diocese, in partnership with 18 multi-academy trusts and our local authorities.**

This work supports over 43,000 children and young people who are educated in our Church of England schools, growing and flourishing in spaces rooted in their Christian foundation.

This year has seen our work develop through our innovative Programme for Church School Flourishing (PCSF), a programme which has been warmly welcomed and enabled trusts to further their commitment to the Christian foundations of their schools. This has culminated in the first accreditation event with trusts and the launch of our PCSF SW which sees our diocesan colleagues across the southwest commit to the PCSF journey with their trusts.

The much valued and respected work of the SDBE team has continued across our family of schools. This covers work including governance, buildings, carbon reduction,

RE, collective worship and school improvement. This has enabled school and trust leaders, governors, teachers and volunteers to flourish in support of the children and young people they serve.

The autumn of 2023 saw the launch of the new SDBE vision, focusing our strategy for the next five years. Our commitment is to making Jesus known through being present, where we will show compassion, speak truth and offer hope.

**Katie Fitzsimmons**  
Director of Education



# Sudans Partnership

**The dominating concern for our partnership has been the savage outbreak of fighting in April 2023 in Sudan between the rebel forces of the Rapid Support Force and the Sudan Government's army, the Sudan Armed Forces. Sadly, this conflict has been eclipsed by the ongoing fighting in Ukraine and Gaza.**

The intense fighting has decimated population centres including Khartoum and Omdurman and Wad Medani and the region of Darfur in western Sudan.

Archbishop Ezekiel and his family and staff had to flee Khartoum and have established a base in Port Sudan on the Red Sea. He visited his people in Sudan at Christmas. It is estimated that more than 15,000 have been killed and

some five million people made homeless, including many South Sudanese who escaped the fighting in their own country some 17 months after South Sudan won independence in 2013, and settled in Sudan. Now, more than half a million southerners have returned to the South. Sudan was making progress in establishing peaceful and tolerant communities in a vast country of 47 million where approximately 85% of the people are Muslim, (and in South Sudan it is the reverse with some 85% being Christian).

We continue to work with our own Government and Parliament on peace initiatives in both Sudans and with Christian Aid, and the UN, on development and humanitarian support.

In the South, tribal fighting continues in Abyei, Upper Nile and Jonglei over grazing

rights and related issues. The big challenge for the Juba government this year is the holding of open and democratic elections.

In 2023 our diocesan partnership, in various ways, supported theological colleges, schools, deanery to diocese projects and aid and environmental opportunities to the extent of some

£195,000, including our Medical Link, of approximately £53,000, and some £30,000 to Archbishop Ezekiel for emergency food aid in Sudan.

**Canon Ian Woodward**  
Chair, Salisbury-Sudans Partnership



# Cathedral

**The visitor research that Salisbury Cathedral commissions at the end of every summer season invariably makes interesting reading.**

Visitors, and the income that visitors generate, are vital to the Cathedral's sustainability. That summer visitor numbers in 2023 were 26% higher than in 2022 is a cause for rejoicing. And it is a relief to read that 78% of those who visited rated their visit as 'excellent' and that 71% described the Cathedral's atmosphere as 'peaceful'.

But what is even more interesting is what the research reveals about the Cathedral's mission. In 2023, on arrival at the Cathedral, 62% of summer visitors self-identified as Christian. Yet on leaving the Cathedral 80% of summer visitors described their visit as a 'reflective or spiritual experience'. They may have come expecting to pore over

the Magna Carta, or to marvel at the stunning architecture, or to learn the history of how Salisbury came to be. But nearly 20% of those who came with no Christian faith departed having caught a glimpse of something more.

And while most visitors leave the Cathedral, and head for the next place on their itineraries, not all do. 11% of summer visitors in 2023 stayed to attend worship. It's very much a minority – but five years ago only 5% of visitors stayed on for that purpose. The number has doubled.

During the Covid lockdowns the Cathedral's visitor interpretation was comprehensively overhauled with the aim of making it as clear as possible to all who come here that they are visiting a working church where God is worshipped daily. That investment appears to be reaping dividends. Slowly but

surely this wonderful place has an impact on those who cross its threshold, doing its work of turning those who come here away from themselves, and towards the eternity revealed in Jesus Christ.

**The Very Revd Nicholas Papadopoulos**  
Dean of Salisbury





# Channel Islands

## Jersey



**The Very Revd Mike Keirle**  
Dean of Jersey

**2023 saw the strengthening of our attachment to the Diocese of Salisbury, with the deepening of our relationships as, together, we make Jesus known.**

There were a number of highlights in the year, including a service in St. John's Church with Bishop Stephen, where 33 people from across the Island were confirmed; a visit from Bishop Karen, who narrowly avoided the descending fog, to re-licence our Licensed Lay Ministers; a further swift visit from Bishop Stephen to attend our annual St Helier Pilgrimage on 16th July as the churches across the Island joined together in walking out to the small islet where Helier lived, to celebrate our patronal festival; and a visit by the Bishop's Leadership Team for a short residential, during which they visited the prison, met clergy

and continued work shaping the diocesan vision. We also welcomed the safeguarding training team and DSAs in September as we continue in our partnership of working to ensure that our churches are safe places for everyone. We look forward to developing our ties still further in 2024 as our Clergy come over to visit Salisbury in March, where we hope we may meet many of you.



## Guernsey



**The Very Revd Tim Barker**  
Dean of Guernsey

**During 2023, the new relationship between the Deanery of Guernsey and the Diocese of Salisbury was expressed and celebrated in a variety of ways.**

We welcomed the Bishop of Salisbury for a confirmation service at St Pierre du Bois in

February, and persuaded him to take a second confirmation at St Michel du Valle on Palm Sunday, as he was visiting Guernsey (to our great delight) for the service for the renewal of commitment to ministry, lay and ordained, and the blessing of oils (the 'Chrism Mass') at St Andre de la Pommeraye on the Monday of Holy Week.



Over 30 people were confirmed, with some of them also being baptised.

The Bishop of Sherborne celebrated the ministry of our LLMs in June, giving them their Salisbury licences – another expression of our new relationship.

We have kept in touch with the safeguarding team, welcoming them to Guernsey in October for training and reviewing worship contracts.

People from Guernsey have attended Diocesan Synod, even though this means leaving home by 6am and returning late on a Saturday evening. The Synod visits have sparked an interest in exploring how we can join with Dorset and Wiltshire parishes in **Making Jesus Known**.

You have prayed for us, and we have prayed for you.



## A year through the eyes of Bishop of Ramsbury

**Time's 'ever rolling stream' means we don't often pause to look back upon the current of events that have already flowed away and out of sight.**

The especially high and low points are those that tend to stay with us, while the balance of ordinary time – appointments, encounters, correspondence – can be harder to trace. Certainly, when life has proved particularly challenging, we can give heartfelt thanks that – as the King James Bible so fluently puts it – these things 'came to pass'.

In Ramsbury, we sought to encourage the local ministry of some 260 churches across Wiltshire (plus a small corner of Hampshire and an even smaller patch of Dorset) who have once again displayed admirable

devotion and enterprise in **Making Jesus Known**. Indeed, as this diocesan vision emerged throughout 2023, that phrase came to galvanise and focus every aspect of our work – not least in the recruitment and appointment of clergy, which occupies a large part of the area team's work. Confidence in Christ was visible this year in so many ways across our parishes: at St Michael's Primary School in Larkhill, packed out for Archbishop Justin's visit in June; at All Saints, Marden, launching as a festival church in order to re-engage with its community; in St Michael & All Angels, Melksham, at the dedication of a new room for their burgeoning children's work, and countless other examples, through to a Nativity in Seend that transformed the only vicarage garden with its own cow byre!

The Ramsbury Ministry Day in October was a memorable gathering point for our clergy and licensed lay ministers, given that we spend so much of the year in dispersed situations. With a moving keynote address from former Metropolitan Police Borough Commander John Sutherland, this was a time to focus on the need for all in ministry to find wellsprings that can strengthen their own health and vocation. I remain deeply impressed by, and grateful for, the service of all our ministers, officers and volunteers: there is much that can deplete us in church life, but the people of God renew their strength in him, year on year.



**The Rt Revd Andrew Rumsey**  
Bishop of Ramsbury

## A year through the eyes of the Archdeacon of Sherborne

**Bishop Karen is at last taking Extended Study Leave, postponed from 2020, first by the covid pandemic and then by the episcopal vacancy when she stood in as Acting Diocesan Bishop. So this year's reflection on the Sherborne Area is from an archdeacon's perspective!**

There was a major change to the Area Team as Archdeacon Antony stepped forward to take on the role of Director of Finance and Asset Management, using his skills as a Chartered Accountant. However he continues to lead worship on Sundays, covering during vacancies, clergy illness and holidays.

Canon Lucy Holt has joined the Area Team as Assistant Archdeacon, giving two days a week to this role, she continues to serve as Rector of St James,

Poole, and is standing down as Rural Dean as this goes to press. Bishop Karen, Vicky, Paul and I are really grateful for her wisdom and insight, particularly that she brings the perspective of someone firmly rooted in a parish. We are modelling a collaborative style, all of us working across the whole Sherborne Area.

The major event of 2023 was, of course, the coronation. Parishes joyfully joined in the celebrations with special services and community events. Bell-ringers, cake makers and choir members stepped forward to make the weekend very special indeed.

A month later we welcomed the Archbishop of Canterbury. As he walked along the seafront in Weymouth many people did a double take as they recognised the man who had crowned the King. A joyful and humbling experience for all involved.

It has been a busy year of new appointments, licensings, and celebrations of long years of ministry. From an archdeacon's perspective, there have been memorable DAC visits, as PCCs work hard to maintain their buildings, and develop their facilities to serve their communities even better. Community service has also been seen in the hospitality which continues to be given to refugees from the Ukraine, the provision of Warm Spaces and Food Banks to help in the cost of living crisis, the welcome local churches have given to the asylum seekers on the Bibby Stockholm, and right at the end of the year, the welcome and provision of basic necessities to Afghan refugees given accommodation in Chickerell. Thank you to all who serve in this part of the diocese.



**The Ven Penny Sayer**  
Archdeacon of Sherborne



# Financing the Future Sustainably

**2023 was a busy year as we worked with Bishop Stephen to develop our new strategy.**

One of the five paths we are taking to **Making Jesus Known** is to finance our future sustainably. While money is something we often don't want to dwell on in our spiritual life, this path recognises that we cannot achieve all we want to do in mission and ministry without financial resources. As we finish the year with yet another deficit, resulting in a further draw-down on our limited assets as the only option remaining to support ministry at current levels, the need for us to take action on this could not be clearer.

I am pleased to say that although much more needs to be done, we have made progress. During the year we completed our review of share and the new system will be

rolled out in the coming year. We are enormously grateful to the very many people across the Diocese who contributed to this review. The process has taken some time but it has allowed us to arrive at a new system which is more transparent, reduces the administrative burden on our parishes and, I hope, will inspire people to be even more generous in their giving to support ministry.

We are enormously grateful to the St Denys Trust for the donation of £1 million to the St Aldhelms Fund, to fund mission and ministry projects. The money was donated as part of the preparations to wind up the Trust.

This year also saw the DBF team moving from Church House to share the offices of the Diocesan Board of Education, the newly renamed Emmaus House, in Wilton. Not

only will this further reduce our operating costs but it will provide an opportunity for greater collaboration in our work with children and young people. We have also spent time improving our financial capability and processes and streamlining our committee structures. This will save time, improve accountability and allow us all make better, more informed financial decisions. With all of these actions the path to a more sustainable financial future becomes clearer.



**Jane McCormick**  
Chair, Diocesan  
Board of Finance

# Cost of being church

**What is the cost of being church together in the Diocese of Salisbury?**

**We seek to finance mission and ministry sustainably, so we have started to ask the question 'What is the cost of being church?'**

From a financial perspective, the cost of being the church together across the Diocese of Salisbury is made up of several parts:

Each local church community has its own financial commitments and costs- right now, many of those feel very challenging especially for small communities with ancient buildings to maintain. There are a range of things we need to do together to help each other make this more possible and Bishop Andrew is leading much of that thinking at national level.

Our shared cost of being church is about people and all the costs of mission and ministry as we seek to love our neighbours and serve our communities. This includes all clergy and lay ministry costs, with 250 clergy homes and their maintenance plus the training of future ministers and the cost of pensions.

The cost of being church together also covers those support costs for work that is best achieved collectively with shared skills and capacity- for example in our safeguarding team helping each community to make church a safer place for all.

The cost of being church together also covers core administrative work in which we seek to keep costs as low as possible while providing a professional service. The recent sale of Church House means that the support team will in future be based together at Emmaus House (formerly the DEC) with our education and academy trust colleagues at Wilton - this modern building has much lower running costs and carbon footprint.

We are fortunate to have a range of historic assets and investments as well as other income which in total covers about one quarter of this expenditure. Through the Share scheme each parish is invited to contribute to cover the remainder of this expenditure. This is the shared cost of being church today in the Diocese of Salisbury.

Watch a video from David here on our [YouTube channel](https://www.youtube.com/watch?v=SSiQbPZAKTM): <https://www.youtube.com/watch?v=SSiQbPZAKTM>

# Income and expenditure

As Christians, we seek to respond to the challenges we face together, by resourcing the church to support people and places in need.

In the Diocese of Salisbury, all our parishes contribute to Share, which pays mission and ministry costs. Thank you for all you contribute.

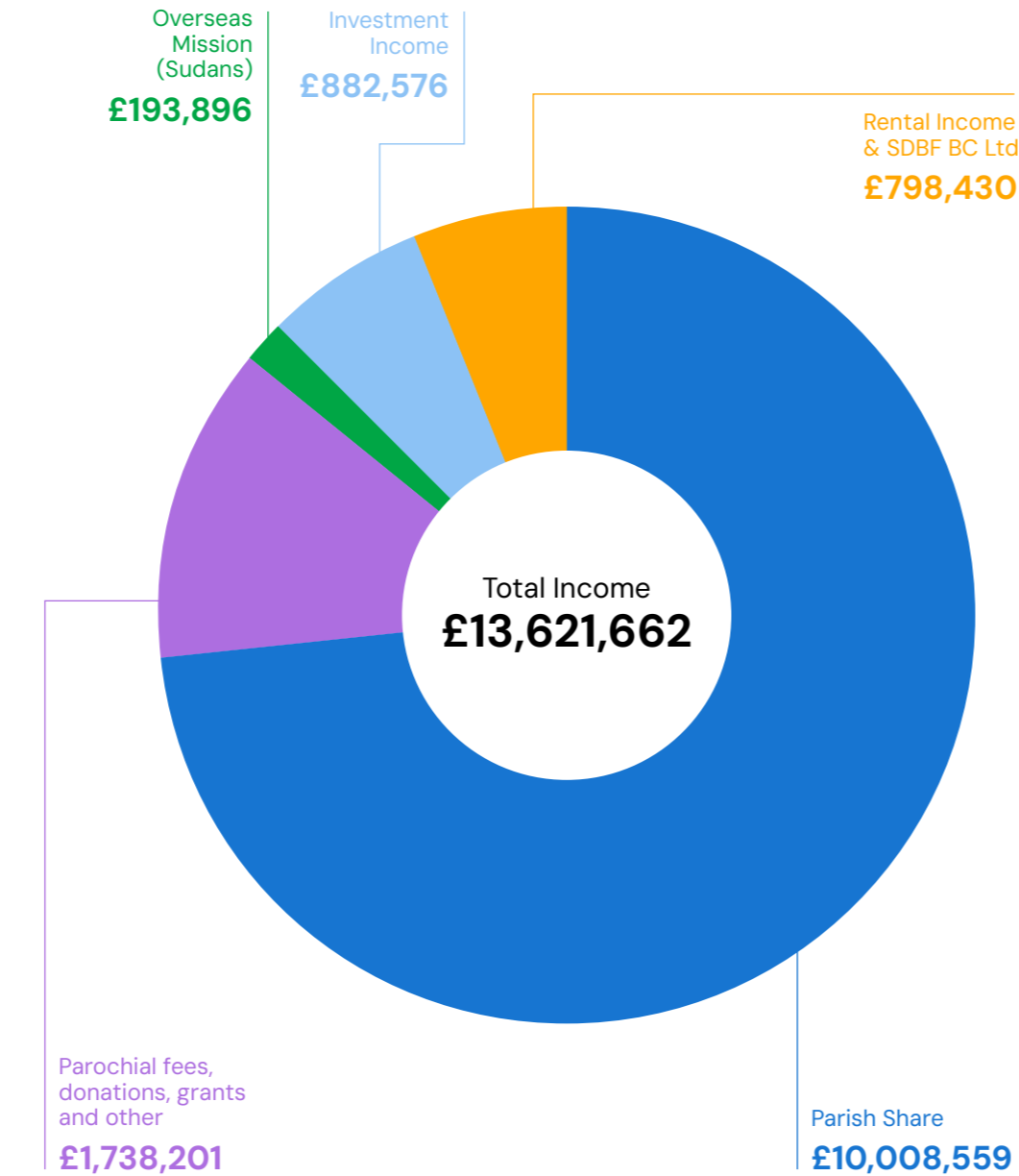
**The Rt Revd Stephen Lake**  
Bishop of Salisbury

As you will see from the accounts, we had a deficit of £1.2million in 2023, and reserves were once again used to cover the shortfall in parish share.

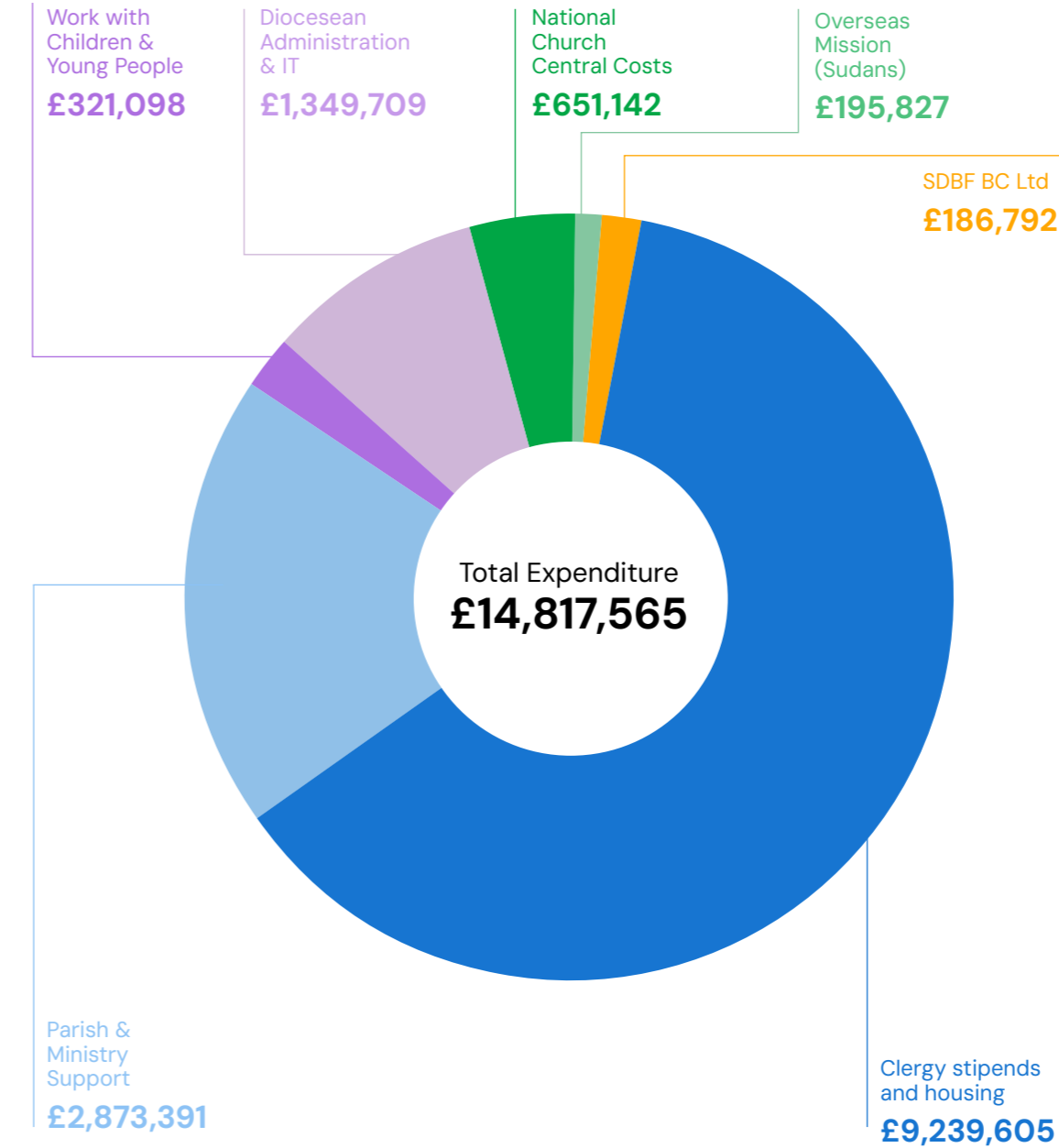
These reserves are running out. As part of our vision and strategy we are committed to putting ourselves on a sustainable financial footing to secure ministry across the diocese into the future, and respond to the needs of the communities we serve. This will require bold and imaginative solutions and a prayerful and generous response from members of our congregations.

**The Ven Antony MacRow-Wood**  
Archdeacon of Dorset & Director of Finance & Asset Management

## Income



## Expenditure



## Management Accounts

	Actual	Budget	Variance
Income	£13,621,662	£14,508,759	(£887,097)
Expenditure	£14,817,565	£15,151,791	£334,226
Operating Deficit	(£1,195,903)	(£643,033)	(£552,870)
Unrealised Profit on Investments	£3,742,930	—	(£3,742,930)
Realised Profit on sale of property	£993,708	—	(£993,708)
Movement on pension	—	—	—
Movement in funds for period	£3,540,735	(£643,033)	(£4,183,768)





# Diocese of Salisbury

## Annual Report and Accounts 2023



## Diocesan Balance sheet

The balance sheet value has increased by £4.5m to £130.1m in 2023, due to a £1m donation to the St. Aldhelm Fund, recovering values of our investments (£1.2m) and the revaluation of our Glebe holdings (which resulted in a net increase, after sales, of £2.3m). However, reserves had to be used to meet the shortfall in share (£1.3m) and the General reserve decreased by £0.8m to £1.9m. The operating deficit was partially offset by the gain over book value of assets sold during the year and a reduction of expenditure of £0.2m.

### **Investment Performance:**

The DBF has the power to invest surplus funds in appropriate investments and to this end, principally makes use of the investment funds managed by CCLA and Sarasins, the latter in their Active Climate Endowment fund. This was chosen for its more environmentally friendly portfolio. Total value of Investments increased by £1.2m which was below our target (CPI plus 4% over a 5-year horizon) for growth but is a welcome re-balancing after the reduction of £2.4m in the previous year. Our investments have continued on a positive trajectory since the year end.

### **Custodian trusteeship:**

The trustees are custodian trustees for trust financial assets with a market value of approximately £33m on 31st December 2023 (2021 £31m). These assets are held for parishes in the Diocese and other charities whose area of benefit is the Diocese of Salisbury.

Certificates detailing all holdings and balances as at 31st December 2023 have been sent to parishes. The trustees are also custodian trustee for all parish real property. As custodian the trustees are responsible for the safe custody of all trust assets but does not control them. Trust assets are held separately from the assets of the DBF.

### **Reserves policy:**

The trustees' policy is to have a general reserve equating to three months of expenditure at any one time to maintain working capital requirements and to provide adequate safeguards in respect of unforeseen deficits. At 31st December 2023 the general fund free reserves were £1.9m much of it tied up in the value of Church House, the sale of which is due to complete on 31st July 2024. This equates to under three months of expenditure which is why the trustees have agreed the use of Total Return if necessary but to date no resolution to transfer funds from the UTR to the General Fund has been agreed by Trustees. The trustees have procedures in place to monitor parish Share collection and any deviation from agreed budgets in the year.

### **Grant making policies:**

The trustees make a variety of grants to the clergy and parishes of the Diocese, the Archbishops' Council and the Episcopal Church of the Sudan, all in furtherance of its charitable objects.



**Going concern:**

The trustees have reviewed the anticipated performance for a period of at least twelve months from the date of approval of the financial statements which demonstrate 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.

This is because mitigating measures have been taken to ensure liquidity. On this basis, the trustees consider it appropriate to prepare the financial statements on a going concern basis.

# Structure, Governance and Management

## **Governing Document:**

The Diocesan Board of Finance ('DBF') is a company incorporated under the Companies Acts (section 1 Diocesan Boards of Finance Measure 1925 as amended). It is registered under the Companies Act 2006 and constituted by the Diocesan Synod which elects the directors/trustees. Its memorandum and articles provide that the Bishop of the Diocese is a member, and that the majority of the members shall be lay persons. The DBF is also a charity registered under the Charities Act 2011.

## **Recruitment of Trustees:**

New Trustees are elected by Diocesan Synod from its membership and a newly created Nominations Committee endeavours to find people with the requisite experience and key skills needed. Trustees are elected for terms of three years, with an extension of up to two further terms. All Trustees give of their time freely. Details of Trustee expenses and related party transactions are disclosed in note 14 to the accounts.

## **Training and Induction:**

On appointment, new Trustees follow a formal induction programme, and the provision of key governance documentation. Ongoing training is provided for Trustees as relevant throughout their term. Training has been provided to ensure Trustees are aware of their responsibilities as both company directors and charity trustees.

## **Organisational structure:**

The Bishop's Council provides leadership and governance to the Diocese. This is a strategic role that involves ensuring oversight, compliance and performance management. The Council meets at least four times per year. Day-to-day responsibility for the running of the Board of Finance is delegated to the Diocesan Secretary. The Diocesan Secretary is supported by an executive management team which contains the appropriate range of skills to ensure competent management of the Board of Finance.

## **Where are we going from here?**

The financial challenge we have in the Diocese of Salisbury is faced to varying degrees by every diocese in the Church of England. Fundamental to the plan for the next decade is ensuring the diocese is on a secure financial footing – doing so means making challenging decisions with courage, confident in our vision of God's Kingdom. The new vision and plan will ensure the diocese is in a good place to secure money from the Church Commissioners to help to fund new projects and forms of ministry. However, the national Church won't fund all the changes we need to make – if we are truly to live out the Kingdom, here and now, then we each need to respond with compassion and generosity, offering all we are and all we have, to God.



# Risk Management

The DBF is committed to maintaining a robust risk management framework, which complies with the Charity Commission's regulatory and good practice requirements. Our risk management is an organisation-wide function that is embedded within the culture of the DBF.

The main risks identified in 2023 were:

- A failure to adequately implement a new diocesan vision and strategy.
- Risk to all forms of income, including while changing the parish Share system and from the Living in Love and Faith process.
- People risk: participation in governance across the church.
- IT systems change ineffective.

## **1. A failure to adequately implement a new diocesan vision and strategy.**

The diocesan vision is rooted in local Christian leaders transforming communities as we Make Jesus Known. Failure to successfully engage with local (parish) communities and or a lack of willingness by local communities to commit to action will be significant risks to adequately deliver the vision and intended impact. In mitigation of this risk all stages of the development and implementation of the strategy has been developed with close engagement across the diocese.

National funding has been gained to build capacity for effective engagement and communication.

Growing a younger and more diverse church is central to our vision and the national funding included the one-year secondment of a staff member to develop the plans around the school/church partnership known as Growing Faith.

A programme governance structure provides transparency and clarity about accountabilities and responsibilities. This will oversee the development of a coherent mission and people plan, underpinned by a sustainable finance plan that is supported by key stakeholders.

## **2. Risk to all forms of income, including while changing the parish Share system and from the Living in Love and Faith process.**

As set out in the audited accounts, the DBF continues to run at an operating deficit. The Covid loan (£2.5m) is now repaid to reduce interest expenditure. Improved financial rigour through monthly management accounts, regular forecasting and a 3-year budget horizon for greater control, awareness and decision-making is under development.

At the June 2023 diocesan synod 8 financial principles were agreed to guide next steps towards the goal of financial sustainability. Improving mechanisms for giving has included the roll out of 70 free cashless terminals to churches in January/February 2024. Income has been strengthened through a comprehensive glebe development and

sale plan, together with ongoing proactive rental management through Strutt Parker and rental of vacant houses through Middleton & Mayor.

Diocesan Synod approved the proposed new Share system in February 2024. The Trustees recognised that once a new system was agreed, a comprehensive engagement exercise would be required at all levels (parish, deanery etc) to obtain full support for the scheme. The timeline has been extended with implementation planned for January 2025 to allow for a longer transition period, engagement and alignment with the strategic priorities.

The potential financial impact of the Living in Love and Faith has been recognised and discussed. The situation is being monitored pending ongoing debate at the General Synod has been extended to July 2024.

### **3. People risk: participation in governance across the church.**

In summer of 2024 the Diocesan Synod, Bishop's Council and several other elections will take place with 136 positions to be filled and more members to be appointed to various governing bodies. A Nominations Committee was established by the trustees in 2023 and has supported the development of an election and appointment campaign for those that serve on key governance boards and committees of the diocese. This includes a commitment to increase diversity, ensuring the DBF considers wider points of view and makes decisions that are representative of the 1 million people in the diocese. With new appointments there is a risk of a loss of skills and experience, so a comprehensive plan is established for the induction for trustees and other members as well as ongoing training and development to improve the effectiveness and impact of members and the governing bodies.

Parishes have seen an increase in the number of vacant parish officer roles; of particular concern is the high level of churchwarden vacancies at 40%. The Synod has supported a programme to resource and train churchwardens, but a change in participation and the large number of small congregations remains a risk to the work of the diocese if the expectation and requirement on role holders is not changed.

### **4. IT systems change ineffective.**

Ongoing risk assessment have highlighted the urgent need to migrate from a legacy database system to shared national systems. Risk includes supplier key person dependency, data quality and security and process inefficiency issues. Major dependencies in some areas which will require careful planning and consultation to ensure that we avoid the temporary or long-term loss of important functions and the associated business disruption and reputational damage. Limited staff capacity and external advice has been addressed to ensure effective programme of change.



## **Governance and Trustees**

### **Directors and Trustees during 2023**

The members of Bishop's Council are the Executive Committee of the DBF and its directors and trustees.  
The members of Salisbury Diocesan Synod are the members of the DBF.

#### **The following are the directors and trustees who served during 2023 and up to the date of signing the report:**

The Rt Revd S Lake	Bishop of Salisbury
The Rt Revd K Gorham	Ex officio, Bishop of Sherborne
Mrs E J McCormick	Ex officio, Chair
The Rt Rev Dr A Rumsey	Ex officio, Bishop of Ramsbury
The Very Rev N Papadopoulos	Ex officio, Dean of Salisbury Cathedral
The Very Rev T Barker	Ex officio, Dean of Guernsey
The Very Rev M Keirle	Ex officio, Dean of Jersey
The Ven A P Jeans	Ex officio, Archdeacon of Sarum
The Ven P Sayer	Ex officio, Archdeacon of Sherborne
The Ven S Groom	Ex officio, Archdeacon of Wilts (retired May 2024)
The Ven A C MacRow-Wood	Ex officio, Archdeacon of Dorset & Chair Diocesan Board of Education, Director of Finance and Asset management (from April 2023)
Canon A Perry	Ex officio, Chair House of Clergy
Canon D Baldwin	Elected clerical member
Canon G Osborne	Elected clerical member
Canon L Holt	Elected clerical member
Canon G Clarke	Elected lay member and Ex officio Chair House of Laity
Mrs D Mclsaac	Elected lay member
Mrs R Cook	Elected lay member
Mr D Howshall	Elected lay member
Mrs J Jackson	Elected lay member
Mr R Chitty	Elected lay member
Mrs S Stevens	Elected lay member
Lady S Gooch	Elected lay member
Canon J Curtis	Co-opted clerical member

#### **Principal Officers of the DBF:**

Mrs E J McCormick	Chair of the DBF
Mr D Pain	Secretary and Treasurer
Mr N Jenner	Director of Finance and Asset management (until March 2023)
The Ven A C MacRow-Wood	Ex officio, Archdeacon of Dorset & Chair Diocesan Board of Education, Director of Finance and Asset management (from April 2023)

In approving this Trustees' Report, the trustees are also approving the purposes and aspirations within their capacity as company directors.

## Trustees' Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees (as Directors) to prepare financial statements for each financial year. Under that law the trustees 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 trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the DBF and of the surplus or deficit of the DBF for that period. In preparing these financial statements the trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Follow applicable accounting standards and the Charities SORP FRS102, subject to any material departures disclosed and explained in the financial statements.
- Assess whether the financial statements can be prepared on a going concern basis with adequate disclosure outlining their reasons for doing so.

The trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the DBF 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 DBF and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement of disclosure to the auditors

So far as the trustees are aware: there is no relevant audit information of which the charitable company's auditors are unaware, and we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

By order of Trustees:

.....  
Jane McCormick – DBF Chair  
21st May 2024



## Reference and Administrative Details

Registered Office:	Emmaus House The Avenue Wilton, Salisbury, SP2 OFG
Website:	<a href="http://www.salisbury.anglican.org">www.salisbury.anglican.org</a>
Company Registration Number:	17442 (in England and Wales)
Charity Registration Number:	240833
Auditors:	<a href="#">Haysmacintyre LLP</a> 10 Queen St Place, London EC4R 1AG
Solicitors:	<a href="#">Wilson's LLP</a> Alexandra House, St Johns St, Salisbury SP1 2SB
Diocesan Registrar:	<a href="#">Batt Broadbent</a> Minster Chambers, 42/44 Castle Street Salisbury SP1 3TX
Bankers:	<a href="#">Lloyds PLC</a> 38 Blue Boar Row, Salisbury SP1 1DB
Insurers:	<a href="#">Ecclesiastical Insurance Office plc</a> Beaufort House, Brunswick Road Gloucester GL1 1JZ
Investment Managers:	<a href="#">CCLA Investment Management Ltd</a> Senator House, 85 Queen Victoria Street London EC4V 4ET  <a href="#">Sarasin &amp; Partners</a> Juxon House, 100 St Paul's Churchyard London EC4M 8BU
Glebe Property & Land Agents:	<a href="#">Strutt &amp; Parker</a> 41 Milford Street, Salisbury SP1 2BP

# Audit Report

Independent auditor's report to the members of the Salisbury Diocesan Board of Finance.

## **Opinion:**

We have audited the financial statements of the Salisbury Diocesan Board of Finance for the year ended 31 December 2023 which comprise the Group Statement of Financial Activities, the Group Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2023 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion:**

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

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charitable company's ability to continue as a going



concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information:**

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees for the financial statements:**

As explained more fully in the trustees' responsibilities statement set out on page 24, 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 group's and parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements:**

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

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

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

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fund accounting, including transfers between funds,



and revenue recognition. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals;
- Challenging assumptions and judgements made by management in their critical accounting estimates;
- Testing transfers between funds; and
- Cut-off testing in respect of revenue.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report:**

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

Adam Halsey (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place  
London  
EC4R 1AG

Date:

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds		Restricted funds	Endowment funds	Total funds	Total funds
		General	Designated				
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Income and Endowments from</b>							
Donations:							
Parish Share	2	10,009	-	-	-	10,009	9,903
Archbishops' Council & Church Commissioners	3	406	-	233	-	639	749
Other donations	4	301	1,000	206	-	1,507	960
Charitable activities	5	97	-	690	-	787	841
Other activities	6	772	-	-	-	772	965
Investments	7	167	26	320	395	908	855
<b>Total</b>		<b>11,752</b>	<b>1,026</b>	<b>1,449</b>	<b>395</b>	<b>14,622</b>	<b>14,273</b>
<b>Expenditure on</b>							
Raising Funds	8	194	-	63	-	257	197
Charitable activities	9	13,318	191	858	8	14,375	14,557
SDBF BC Ltd	10	185	-	-	-	185	263
<b>Total</b>		<b>13,697</b>	<b>191</b>	<b>921</b>	<b>8</b>	<b>14,817</b>	<b>15,017</b>
<b>Net income/(expenditure) before investment gains</b>		<b>(1,945)</b>	<b>835</b>	<b>528</b>	<b>387</b>	<b>(195)</b>	<b>(744)</b>
Net gains/(losses) on investments/property/Glebe	11	108	49	678	3,903	4,738	(2,418)
<b>Net income/(expenditure)</b>		<b>(1,837)</b>	<b>884</b>	<b>1,206</b>	<b>4,290</b>	<b>4,543</b>	<b>(3,162)</b>
<b>Gross transfers between funds</b>		1,041	148	(796)	(393)	-	-
Movement in clergy pension creditor		-	-	-	-	-	310
<b>Net movement in funds</b>		<b>(796)</b>	<b>1,032</b>	<b>410</b>	<b>3,897</b>	<b>4,543</b>	<b>(2,852)</b>
<b>Total funds brought forward</b>	26	2,694	19,422	7,411	96,061	125,588	128,439
<b>Total funds carried forward</b>	26	<b>1,898</b>	<b>20,454</b>	<b>7,821</b>	<b>99,958</b>	<b>130,131</b>	<b>125,587</b>

The notes on pages 30 to 48 form an integral part of the financial statements.

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

	<b>2023</b>	<b>2022</b>
	£'000	£'000
<b>Total incoming resources</b>	14,227	13,857
<b>Resources expended</b>	<b>(14,809)</b>	<b>(15,017)</b>
<b>Operating (deficit) for the year</b>	<b>(582)</b>	<b>(1,160)</b>
Net gains on investments	834	(911)
<b>Net income/(expenditure) for the year</b>	<b>252</b>	<b>(2,071)</b>
<b>Other comprehensive income:</b>		
Net assets transferred from endowments	393	906
<b>Total recognised gains for the year</b>	<b>645</b>	<b>(1,165)</b>

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

All income and expenditure is derived from current activities.

The notes on pages 30 to 48 form an integral part of the financial statements.



## CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2023

		Group 2023	Parent 2023	Group 2022	Parent 2022
	Notes	£'000	£'000	£'000	£'000
Fixed Assets					
Tangible assets	16	91,983	91,983	92,846	92,846
Investments	18	34,815	34,815	31,300	31,300
Programme related investments	19	89	89	89	89
		<b>126,887</b>	<b>126,887</b>	<b>124,235</b>	<b>124,235</b>
Current Assets					
Current Assets exc Cash	20	858	1,057	1,556	1,827
Cash at bank and in hand	21	3,231	3,011	2,680	2,360
Creditors: amounts falling due within one year	22	(573)	(560)	(1,234)	(1,219)
Net current assets		<b>3,516</b>	<b>3,508</b>	<b>3,002</b>	<b>2,968</b>
Total assets less current liabilities		130,403	130,394	127,237	127,203
Creditors: amounts falling due in more than one year	23	(275)	(275)	(1,650)	(1,650)
Net assets		<b>130,128</b>	<b>130,119</b>	<b>125,587</b>	<b>125,553</b>
Representing:					
General		1,897	1,888	2,694	2,660
Designated		20,454	20,454	19,422	19,422
Endowment		99,957	99,957	96,061	96,061
Restricted		7,820	7,820	7,411	7,411
Funds	26	<b>130,128</b>	<b>130,119</b>	<b>125,587</b>	<b>125,553</b>

The Board does not have a separate revaluation reserve as the historic cost of most historical assets is not known. Valuation gains or losses are added to or deducted from the appropriate fund.

Total funds of the parent company at 31 December were £9k less than the Group, representing gift aided profits not yet paid over. (2022 £34k).

.....  
Jane McCormick – DBF Chair  
21st May 2024

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £'000	2023 £'000	2022 £'000	2022 £'000
<b>Net cash inflow/(outflow) from operating activities</b>		(488)		(2,260)
<b>Cash flows from investing activities</b>				
Dividends, interest and rent from investments	909		855	
Proceeds from the sale of:	-		-	
Tangible fixed assets	2,365		645	
Fixed asset investments	373			
Purchase of:				
Tangible assets for the use of SDBF	(731)		(863)	
Investments	-			
Repayment of bank loan	(1,878)		(500)	
<b>Net cash provided by / (used in) investing activities</b>		1,038		137
<b>Change in cash &amp; cash equivalents in the reporting period</b>		551		(2,124)
<b>Cash and cash equivalents at 1 January</b>		2,680		4,804
<b>Cash and cash equivalent at 31 December</b>		<u>3,231</u>		<u>2,680</u>
<b>Reconciliation of net movements in funds to net cash flow from operating activities</b>		<u>2022</u> £'000		<u>2022</u> £'000
<b>Net movement in funds for the year ended 31 December</b>		4,541		(2,852)
<b>Adjustments for:</b>				
Depreciation charges		78		118
Dividends, interest and rent from investments		(909)		(855)
Decrease/(increase) in debtors		698		(564)
(Decrease)/Increase in creditors		(158)		349
Pension deficit provision movement		-		(310)
Non Cash-Property movement		-		(550)
Non Cash-Investment movement		-		(15)
Movement in investments and fixed assets		(4,737)		2,418
<b>Net cash provided by / (used in) operating activities</b>		<u>(487)</u>		<u>(2,261)</u>

	at 1 Jan 2023 £'000	Cashflows £'000	Other changes £'000	at 31 Dec 2023 £'000
<b>Analysis of changes in net debt</b>				
<b>Cash and cash equivalents</b>				
Cash and deposit accounts	2,680	551	-	3,231
	<u>2,680</u>	<u>551</u>	<u>-</u>	<u>3,231</u>
<b>Borrowings</b>				
Debt due within one year	(500)	500	-	-
Debt due after one year	(1,650)	1,378	(3)	(275)
	<u>(2,150)</u>	<u>1,878</u>	<u>(3)</u>	<u>(275)</u>
<b>Total</b>	<u>530</u>	<u>2,429</u>	<u>(3)</u>	<u>2,956</u>

## 1 ACCOUNTING POLICIES & NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2023

### Statement of compliance:

Salisbury Diocesan Board of Finance is a company limited by guarantee (registered number 17442) and a charity (registered number 240833) registered in England & Wales.

The registered office and principal place of business is: Emmaus House, The Avenue, Wilton, Salisbury SP2 0FG.

The principal activities of the charitable company are set out in the Trustees' Report.

The financial statements, comprising of:

- Statement of Financial Activities
- Income and Expenditure Account
- Balance sheet
- Cash Flow Statement
- Related notes

constitute the individual financial statements of Salisbury Diocesan Board of Finance for the year ended 31 December 2023

The financial statements have been prepared in compliance with FRS102 as it applies to the financial statements of the charitable company for the year ended 31 December 2023

Salisbury Diocesan Board of Finance meets the definition of a public benefit entity under FRS102.

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.

### Basis of preparation:

The financial statements have been prepared under the historical cost convention, except for fixed asset investments, which are included at their market value at the balance sheet date.

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019, 2nd edition), the Companies Act 2006 and applicable accounting standards (FRS102), and Diocesan Financial Statements Guide 5th edition 2015 (the DFS guide).

### Going Concern:

The trustees have reviewed the anticipated performance for a period of at least twelve months from the date of approval of the financial statements which demonstrate 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.

This is because mitigating measures have been taken to ensure liquidity. On this basis, the trustees consider it appropriate to prepare the financial statements on a going concern basis.

### Income:

Including legacies, is generally included in the Statement of Financial Activities (SoFA) when the DBF is entitled to the income, where receipt is probable, and the amount can be quantified with reasonable accuracy. The categories of incoming resources in the SoFA are those set down in the DFS guide.

- Share paid by parishes is treated as income of the year in which it is received except that amounts received up to the end of January of the following year in respect of the previous year are included as income of the year.
- Rent receivable is recognised as income in the period with respect to which it relates.
- Interest and dividends are recognised as income when receivable.
- Grants received that are subject to pre-conditions for entitlement specified by the donor which have not been met at the year-end are included in creditors to be carried forward to the following year
- Parochial fees are recognised as income of the year to which they relate.
- Donations other than grants are recognised when receivable
- Gains on disposal of fixed assets for the DBF's own use (i.e. non-investment assets) are accounted for as other income. Losses on disposal of such assets are accounted for as other expenditure.
- Services rendered: Revenues from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:
  1. The amount of revenue that can be measured reliably
  2. It is probable that the charitable company will receive the consideration due under the contract
  3. The stage of completion of the contract at the end of the reporting period can be measured reliably
  4. The costs incurred and the costs to complete the contract can be measured reliably



**Expenditure:**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The categories of resources expended in the SoFA are those set down in the DFS guide augmented to reflect the Diocese's Sudan and Latvia links and Milton Abbey Church

- Expenditure on raising funds is the costs attributable to generating incoming resources from all sources other than undertaking charitable activities
- Expenditure on charitable activities comprises all the resources applied by the DBF in undertaking its work to meet its charitable objectives.
- Governance costs are the costs which relate to the strategic planning and the public accountability of the DBF and its compliance with legislation and regulations
- Support costs are those costs incurred in the administration of the DBF, which whilst not themselves delivering a charitable activity are necessary to its proper administration and are apportioned on an estimated basis of staff time engaged in such support activities.
- 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.

**Funds:**

The DBF's funds have been grouped under the following headings:

**Unrestricted Funds** are available for use at the discretion of the trustees. The general fund is the principal fund for use in furtherance of the general objectives of the DBF. There are also several other designated funds established by the DBF for particular purposes.

**Restricted Funds** are funds which are to be used in accordance with specific restrictions imposed by donors or restricted by Measure. The cost of raising and administering such funds are charged against the specific fund

**Endowment Funds** are a category of restricted funds the capital of which may be either expendable or permanent.

The purpose of every fund under each heading is set out in the financial statements.

All income, expenditure and gains and losses are allocated to the appropriate fund

**Tangible fixed assets and depreciation:**

Tangible fixed assets costing more than £1k are capitalised and included at cost including any incidental expenses of acquisition. All freehold properties are included in the balance sheet at cost, properties acquired before the date of transition to FRS102 have been recognised using the revaluation as deemed cost exemption. The previous GAAP valuation was performed on 31 December 2012. Mixed-use property held by the DBF comprises the offices at Church House and residential property at the same site. This property is not valued by its separate functions, as the DBF believes that such a valuation would not be materially different.

The DBF has decided no depreciation is required on the freehold properties as:

- Estimated economic life far exceeds 50 years
- Any depreciation charges and accumulated depreciation would not be material
- Buildings are maintained in a sound condition by a continual repairs and improvements programme, the cost of which is charged to the income and expenditure account.

As a result of the policy of non-depreciation, the DBF performs annual impairment reviews in accordance with the requirements of FRS102 to ensure that the carrying value of the properties is not more than the recoverable amount.

Depreciation on furniture, fittings and office equipment is charged on a straight-line basis at a rate of 33.3% to write off assets over their useful lives.

A full year's charge is made in the year of acquisition. Other equipment includes photovoltaic solar installations, which are depreciated over their useful economic life as defined by the contracts for feed-in payments.

**Fixed Asset Investments:**

Unlisted investments are stated at market value at the balance sheet date. The SoFA includes the net gains and losses arising on revaluations and disposals during the year

Land and properties that are held for investment purposes have been included at their fair value.

Programme related investments are included at the sum originally invested, less any impairments and, in the case of loans, repayments.

**Pension Costs:**

The DBF participates in a pension scheme for employees. The assets of the scheme are held separately from those of the company. Contributions are assessed by a qualified actuary so as to spread the cost over employees working lives. Details of clergy pensions are given in the notes to the accounts.

**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 loans, which are subsequently measured at amortisation cost using the effective interest method.

**Public benefit entity concessionary loans:**

The Charity initially measures public benefit concessionary loans at the amount received or paid. Subsequently the carrying amount of concessionary loans are adjusted to reflect any accrued interest payable or receivable. To the extent that a loan that has been made is irrecoverable, an impairment loss is recognised in income and expenditure

**Judgements & key sources or 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 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 amount recognised in the financial statements:

**Clergy properties held as tangible fixed assets:**

These are held at deemed historical cost. Each year consideration is given to the need for an impairment provision. No such provision is required for 2023 due to favourable market conditions and the fact that four out of the five properties were sold at a profit

**Fair value of investment properties:**

Investment properties are included at fair market value, as assessed by Strutt & Parker who manage these properties. The properties are revalued triennially with adjustments for impairment included each year if necessary.

**Pension and other post-employment benefits:**

Pension provisions relating to lay staff and clergy are valued every three years on an actuarial basis. Any shortfall in funding pensions and post-retirement benefits is recognised as a liability in the accounts. Further details can be found in the notes to the accounts.

**Benefice houses recognition:**

Benefice houses are legally vested in the incumbent of the benefice. However, the DBF has recognised these as functional assets 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 because of the long life of the asset and high residual value based on the DBF policy of regular maintenance. The DBF carries out an impairment review when signs of impairment exist.

	Unrestricted Funds		Restricted funds	Endowment funds	Total funds 2023	Total funds 2022
	General	Designated				
	£'000	£'000	£'000	£'000	£'000	£'000
Share for the year per the Budget	11,298	-	-	-	11,298	11,058
Less: provision for shortfall in contributic	(1,288)	-	-	-	(1,288)	(1,227)
	10,010	-	-	-	10,010	9,832
Plus: arrears for previous years	-	-	-	-	-	71
<b>2 PARISH SHARE</b>	<b>10,010</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,010</b>	<b>9,903</b>
The Archbishops' Council	34	-	233	-	267	514
Strategic Ministry Funding	120	-	-	-	120	112
The Church Commissioners	253	-	-	-	253	122
<b>3 THE NATIONAL CHURCH INSTITUTIONS</b>	<b>406</b>	<b>-</b>	<b>233</b>	<b>-</b>	<b>639</b>	<b>748</b>
All Churches Trust	193	-	-	-	193	119
Other Grants	94	1,000	4	-	1,098	39
Sudan Donations	-	-	194	-	194	230
Donations	13	-	8	-	21	7
Legacy Income	-	-	-	-	-	565
<b>4 OTHER DONATIONS</b>	<b>300</b>	<b>1,000</b>	<b>206</b>	<b>-</b>	<b>1,506</b>	<b>960</b>
Included in other donations is legacy income from the late Miss Kempe to be used for the benefit of retired clergy						
Statutory fees	-	-	489	-	489	538
Management Fees	97	-	-	-	97	107
Chaplaincy Income	-	-	201	-	201	196
<b>5 CHARITABLE ACTIVITIES</b>	<b>97</b>	<b>-</b>	<b>690</b>	<b>-</b>	<b>787</b>	<b>841</b>
Rental income from let clergy houses	578	-	-	-	578	590
Other Income	-	-	-	-	-	78
Fee income from property projects	194	-	-	-	194	297
<b>6 OTHER ACTIVITIES</b>	<b>772</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>772</b>	<b>965</b>
Dividends receivable	72	20	126	392	610	624
Interest receivable	70	7	15	3	95	19
Rents from investment properties	-	-	179	-	179	177
Church House	27	-	-	-	27	36
<b>7 INVESTMENT INCOME</b>	<b>169</b>	<b>27</b>	<b>320</b>	<b>395</b>	<b>911</b>	<b>855</b>
<b>TOTAL INCOME</b>	<b>11,754</b>	<b>1,026</b>	<b>1,448</b>	<b>395</b>	<b>14,623</b>	<b>14,273</b>



	Unrestricted Funds		Restricted funds	Endowment funds	Total funds 2023	Total funds 2022
	General	Designated				
	£'000	£'000	£'000	£'000	£'000	£'000
Glebe Fees	1	-	63	-	63	27
Agents' fees on other let property	64	-	-	-	64	72
Other expenses on other let property	46	-	-	-	46	29
Fund Raising	82	-	-	-	82	68
<b>8 FUND RAISING COSTS</b>	<b>193</b>	<b>-</b>	<b>63</b>	<b>-</b>	<b>255</b>	<b>196</b>
Stipends, national insurance, A Levy & Pensions	6,561	-	-	-	6,561	6,822
Clergy expenses	320	-	25	-	345	354
Maintenance of clergy property	1,822	-	416	8	2,246	2,344
<b>Direct ministry cost</b>	<b>8,703</b>	<b>-</b>	<b>441</b>	<b>8</b>	<b>9,152</b>	<b>9,520</b>
Ministry support team	587	191	3	-	781	611
Communications	148	-	-	-	148	103
Ordinands college costs	-	-	155	-	155	282
National Church - training for Ministry VOTE 1 and pooling	487	-	-	-	487	577
Parish support; governance, pastoral, patronage & admin	351	-	(2)	-	349	300
Rural Hope	-	-	24	-	24	195
Church Buildings	234	-	-	-	234	186
Safeguarding	273	-	-	-	273	258
Registrar & Chancellorship and other professional fees	186	-	-	-	186	178
Area offices	155	-	-	-	155	142
Milton Abbey	-	-	39	-	39	36
Supporting parish trusts	22	-	-	-	22	22
<b>Ministerial support and support to parishes</b>	<b>2,443</b>	<b>191</b>	<b>219</b>	<b>-</b>	<b>2,850</b>	<b>2,890</b>
<b>Work with children and young people</b>	<b>321</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>321</b>	<b>309</b>
Central costs	780	-	-	-	780	684
Human Resources	147	-	-	-	147	98
Investment in IT	234	-	-	-	234	189
<b>Central costs and IT Investment</b>	<b>1,161</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,161</b>	<b>971</b>
National Church - central costs (votes 2-5)	506	-	-	-	506	506
Supporting the Sudans	-	-	195	-	195	211
Share discount and provision	27	-	-	-	27	36
Interest payable	99	-	-	-	99	69
<b>Other non parish-costs</b>	<b>632</b>	<b>-</b>	<b>196</b>	<b>-</b>	<b>829</b>	<b>822</b>
Audit	45	-	-	-	45	32
Synod costs and meetings	4	-	-	-	4	7
General Synod Expenses	10	-	-	-	10	5
<b>Governance</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58</b>	<b>44</b>
<b>9 CHARITABLE ACTIVITIES</b>	<b>13,319</b>	<b>191</b>	<b>856</b>	<b>8</b>	<b>14,371</b>	<b>14,556</b>
SDBF BC Ltd	185	-	-	-	185	263
<b>10 OTHER RESOURCES EXPENDED</b>	<b>185</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>263</b>
<b>TOTAL EXPENDITURE</b>	<b>13,698</b>	<b>191</b>	<b>921</b>	<b>8</b>	<b>14,818</b>	<b>15,017</b>

	Unrestricted Funds		Restricted funds	Endowment funds	Total funds	Total funds
	General	Designated				
	£'000	£'000	£'000	£'000	£'000	£'000
<i>Inv Fund General</i>	42	-	-	-	42	(58)
<i>Prop General</i>	(20)	-	-	-	(20)	(44)
<i>Sarasin General Fund</i>	86	-	-	-	86	(244)
<i>Inv fund Aldhelm</i>	-	24	-	-	24	(34)
<i>Inv fund Choral</i>	-	-	-	-	-	(1)
<i>Inv fund Biddlecombe RPM</i>	-	-	-	-	-	(96)
<i>Inv fund Biddlecombe Ords RPM</i>	-	-	-	-	-	(48)
<i>Inv fund Crompton</i>	-	24	-	-	24	(34)
<i>CBF Property fund DPA</i>	-	-	(3)	-	(3)	(6)
<i>Inv fund Stip Cap</i>	-	-	-	-	-	(105)
<i>Inv fund DPA</i>	-	-	84	-	84	(117)
<i>Inv fund Kinsbury EPM</i>	-	-	-	16	16	(22)
<i>Inv fund Mrs SWD Rule EPM</i>	-	-	-	25	25	(36)
<i>Inv fund QVCF EPM</i>	-	-	-	51	51	(72)
<i>Inv fund DSF Trusts EPM</i>	-	-	-	216	216	(303)
<i>Inv fund Chaffyn Grove P EPM</i>	-	-	-	3	3	(5)
<i>Inv fund Chaffyn Grove Z EPM</i>	-	-	-	5	5	(7)
<i>Inv fund Sarum link trusts RPM</i>	-	-	-	4	4	(6)
<i>Inv fund Deaconess Inst RPM</i>	-	-	-	7	7	(10)
<i>Inv fund Biddlecombe Ords RPM</i>	-	-	34	-	34	-
<i>Inv fund Biddlecombe RPM</i>	-	-	68	-	68	-
<i>Inv fund Miss JE Stent RPM</i>	-	-	3	-	3	(5)
<i>Inv fund Miss I V Stole RPM</i>	-	-	5	-	5	(6)
<i>Inv fund Canon Myers RPM</i>	-	-	62	-	62	(87)
<i>Inv fund Barrow RPM</i>	-	-	1	-	1	(1)
<i>Inv fund Chambers RPM</i>	-	-	2	-	2	(3)
<i>Prop Stip Cap</i>	-	-	-	(118)	(118)	(256)
<i>Inv fund Stip Cap</i>	-	-	-	311	311	(329)
<i>Sarasin Stipend Capital</i>	-	-	-	250	250	(707)
Movement in value of investments	-	-	2	-	2	-
Realised Gain on sale of clergy property	108	49	259	771	1,186	(2,641)
Realised Gain on sale of Glebe	-	-	-	-	-	-
Movement in valuation of Glebe	-	-	419	430	849	245
Increase in loan provision	-	-	-	164	164	-
<b>11 GAINS/(LOSSES): INVESTMENTS, PROPERTY &amp; GLEBE</b>	<b>108</b>	<b>49</b>	<b>680</b>	<b>1,365</b>	<b>2,201</b>	<b>(2,396)</b>

	Activities undertaken directly	Grant funding of activities	Support costs	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000
Raising funds	257	-	-	257	197
Direct ministry cost	9,153	-	-	9,153	9,520
Ministerial support and support to parishes	2,084	-	766	2,850	2,890
Support for Children and Young people	-	321	-	321	309
Central costs, HR and IT	1,164	-	-	1,164	972
National Church central costs	-	506	-	506	506
Supporting the Sudans	-	196	-	196	211
Share discount	-	-	-	-	36
Interest payable	100	-	-	100	69
Governance	-	-	58	58	44
<b>12 ANALYSIS OF RESOURCES EXPENDED INC. SUPPORT COSTS</b>	<b>12,758</b>	<b>1,023</b>	<b>824</b>	<b>14,605</b>	<b>14,754</b>

	Activities undertaken directly	Grant funding of activities	Governance costs	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000
Staff Costs & Office	687	-	-	687	596
Governance	-	-	58	58	44
Depreciation	-	-	78	78	118
Supporting the Sudans	1	-	-	1	1
<b>ALLOCATION OF SUPPORT COSTS</b>	<b>688</b>	<b>-</b>	<b>136</b>	<b>824</b>	<b>759</b>

	2023	2022
	£'000	£'000
<b>To Institutions</b>		
<b>National Church Responsibilities</b>		
The Archbishops Council (see note 9)	992	1,083
Salisbury Diocesan Board of Education	321	309
	<b>1,313</b>	<b>1,392</b>
<b>Diocesan Links Overseas</b>		
Sudanese dioceses / schools / colleges	194	210
<b>Within the Diocese:</b>		
PCCs	31	34
Other mission bodies	48	16
County ecumenical bodies	6	6
	<b>85</b>	<b>56</b>
<b>To Individuals</b>		
Individual training for ministry	149	178
First appointment, resettlement and removal	244	217
	<b>393</b>	<b>395</b>
<b>13 ANALYSIS OF GRANTS PAYABLE</b>	<b>1,985</b>	<b>2,053</b>



	<b>2023</b>	<b>2022</b>
	£'000	£'000
Gross Salaries	1,783	1,590
Social security costs	165	164
Pension costs	288	106
	<b>2,236</b>	<b>1,860</b>
Split of staff costs		
Rural Hope and fully reimbursed under Strategic Development Funding	8	144
SDBF BC Ltd	150	187
Remaining SDBF staff	1,897	1,329
Part of clergy deployment or recharged to parishes	181	199
Stipends	4,790	4,868
National Insurance contributions	387	395
Apprenticeship levy	22	22
Clergy Pension	1,181	1,577
Total Stipends	<b>6,560</b>	<b>7,062</b>
	<b>8,615</b>	<b>8,722</b>

#### 14 STAFF AND STIPENDIARY COSTS

The numbers of staff whose emoluments but excluding Pension Contributions) amounted to more than £60,000 were as follows:

	<b>2023</b>	<b>2022</b>
£60,001 - £70,000	2	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	1
	£	£
Pension payments made for these employees:	30,135.92	33,557.14
Redundancy payments made in the year were as follows :-	5,904.18	21,402.07
The average numbers of employees, headcount	56.75	52.17
The average numbers of employees, based on full time equivalents:	46.19	43.50

#### 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.

Diocesan Secretary	David Pain
Diocesan Director of Finance and Asset management (started 06/04/2023)	Antony MacRow-Wc
Diocesan Director of Finance and Asset management (left 31/03/2023)	Nigel Jenner
Diocesan Director of Ministry, Mission and Communications	Jonathan Triffitt
Diocesan Surveyor (started 27/03/2023)	Derek Bolt
Diocesan Surveyor and Head of Property (left 31/03/2023)	Shawn Donnelly
Director of Strategy & Operations	Elizabeth Harvey
Director of Communications and Engagement	Rebecca Paveley

	<b>2023</b>	<b>2022</b>
Remuneration, pensions and expenses for these employees amounted to:	470,010.57	457,466.57

The table below identifies Trustees who were in receipt of a stipend funded by the Board and/or housing provided by the Board in the year.

	Stipend
The Rt Rev K Gorham	No
The Rt Rev Dr A Rumsey	No
The Ven A P Jeans	Yes
The Ven P Sayer	Yes
The Ven S Groom	Yes
The Ven A C MacRow-Wood	Yes
Canon D Baldwin	Yes
Canon A Perry	Yes
Canon L Holt	Yes
Canon J Curtis	Yes

One trustee received remuneration in the range £15,000 -20,000 for specific

	<b>2023</b>	<b>2022</b>
Trustees travel and out-of pocket expenses in their capacity as trustees:	20,443.32	12,557.28

The Board is responsible for funding via the Church Commissioners the stipends of licensed stipendiary clergy in the diocese, other than bishops and cathedral staff.

The Board is also responsible for the provision of housing for stipendiary clergy in the diocese including the Suffragan Bishops but excluding Diocesan Bishop and Cathedral staff.

The Board paid an average (FTE) of 162 (2022 - 166) stipendiary clergy as office-holders, and the costs were as follows:

The annual rate of stipend paid to Archdeacons and other clergy who were Trustees was:

	<b>2023</b>	<b>2022</b>
<b>Archdeacons:</b>		
Ranges From	38,127.96	37,096.23
To	39,599.04	38,468.52
<b>Other Clergy:</b>		
Ranges From	26,355.38	26,156.28
To	28,653.00	27,953.28
<b>Housing Allowance</b>		
Ranges From	9,300.00	8,500.00
To	15,000.00	8,500.00

**CONNECTED CHARITIES**

The trustees consider that Salisbury Diocesan Board of Education Ltd (SDBEL) is a connected charity.

The work of education in the Diocese is undertaken by the Board through the Board of Education as a department.

SDBEL employs no staff of its own, though its trading subsidiary, SALED Ltd, does.

SDBEL makes grants to, and receives grants from, the Board for education work in the Diocese.

	2023	2022
	£'000	£'000
Transactions with SDBEL and SALED Ltd Charged by SDBF:		
to SALED Ltd for office services	17	-
Grants made by SDBF to SDBEL	321	309
<b>15 CONNECTED CHARITIES</b>	<b>338</b>	<b>309</b>

TANGIBLE ASSETS	Unrestricted		Unfinished Building Costs	Restricted		Endowment		Totals
	Property	Equipment		Assistant staff houses and other property	ddlecombe Retired Clergy Fund	Team Vicarages	Benefice Houses	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or Valuation</b>								
At 1 January 2023 (*see note below)	1,815	971	-	18,878	550	14,824	56,666	93,704
Additions	-	199	143	388	-	-	-	731
Disposals	-	-	-	(945)	-	-	(425)	(1,370)
Impairment	-	-	-	-	(146)	-	-	(146)
Transfer	-	-	-	-	-	-	-	-
<b>At 31 December 2023</b>	<b>1,815</b>	<b>1,170</b>	<b>143</b>	<b>18,321</b>	<b>404</b>	<b>14,824</b>	<b>56,241</b>	<b>92,919</b>
<b>Accumulated depreciation</b>								
At 1 January 2023	-	858	-	-	-	-	-	858
Charge for the year	-	78	-	-	-	-	-	78
Disposals	-	-	-	-	-	-	-	-
<b>At 31 December 2023</b>	<b>-</b>	<b>936</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>936</b>
<b>16 Net Book Value</b>								
At 31 December 2023	1,815	234	143	18,321	404	14,824	56,241	91,983
At 31 December 2022	1,815	113	-	18,878	550	14,824	56,666	92,846

\*Two properties have been purchased with the help of value-linked loans 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 extinguished. The value of the properties included above amounts to £355,000 (2022: £355,000)



	2023	2022
	£'000	£'000
<b>17 HERITAGE ASSETS</b>	-	-

The Board owns Milton Abbey Church which has a nil valuation attributed to it because of its restricted use, its restricted access and the long term maintenance liabilities which attach to it.

	2023	2022
	£'000	£'000
<b>Investments with fund managers</b>		
Market value at 1 January	19,098	21,725
Additions at cost	-	15
Disposals at carrying value	-	-
Net investment (losses)/gains	1,186	(2,641)
Market value at 31 December	20,284	19,099
<b>Investment Properties</b>		
Carrying value at 1 January	12,201	12,201
Revaluation at 31 December	2,538	-
Disposals at carrying value	(209)	-
Carrying value at 31 December	14,530	12,201
<b>Total Investment Fixed Assets at 31 December</b>	<b>34,814</b>	<b>31,300</b>

For both investments and investment properties the historical cost is not known.

CBF Church of England		
505,075 Investment Fund shares (2022 - 505,075)	11,417	10,428
1,792,094 Property Fund shares (2022 - 1,792,094)	2,161	2,303
282.36 Accumulation Shares(2022-282.36)	17	15
<b>CCLA Investments:</b>	<b>13,595</b>	<b>12,746</b>
Sarasin General Fund	1,701	1,615
Sarain DSF Capital	4,933	4,683
<b>Sarasin Investments Total: (5,536,725 units)</b>	<b>6,634</b>	<b>6,298</b>
Clergy Mutual Credit Union Deferred Shares	5	5
Community Solar projects	40	40
Schools Energy Cooperative	10	10
<b>Other Investments:</b>	<b>55</b>	<b>55</b>
<b>Investments with fund managers:</b>	<b>20,284</b>	<b>19,099</b>
Investment Property	14,530	12,201
<b>Investment Properties:</b>	<b>14,530</b>	<b>12,201</b>
<b>18 INVESTMENT FIXED ASSETS</b>	<b>34,814</b>	<b>31,300</b>

	2023	2022
	£'000	£'000
<b>19 PROGRAMME RELATED INVESTMENTS</b>	<b>89</b>	<b>89</b>

Programme related investments comprise a total of £89k equity share loans in three properties for clergy at retirement.

Such investments are made directly in pursuit of the Board's charitable purposes rather than for financial investment purposes.

The amounts shown represent the sums originally advanced as required under FRS102.

The loans are not expected to be repaid in the short term.

	<b>Group 2023</b>	<b>Parent 2023</b>	<b>Group 2022</b>	<b>Parent 2022</b>
	£'000	£'000	£'000	£'000
Loans to parishes	159	159	150	150
Parish Share	152	152	192	192
Accrued income and Prepayments	246	235	900	870
Sundry debtors	301	510	314	614
<b>20 DEBTORS</b>	<b>858</b>	<b>1,056</b>	<b>1,556</b>	<b>1,826</b>

Included in debtors are £158.7k loans to parishes due in more than one year (2022 £149.5k)

	<b>Group 2023</b>	<b>Parent 2023</b>	<b>Group 2022</b>	<b>Parent 2022</b>
	£'000	£'000	£'000	£'000
<b>21 CASH AND DEPOSIT ACCOUNTS</b>	<b>3,229</b>	<b>3,008</b>	<b>2,680</b>	<b>2,359</b>

	<b>Group 2023</b>	<b>Parent 2023</b>	<b>Group 2022</b>	<b>Parent 2022</b>
	£'000	£'000	£'000	£'000
HM Revenue & Customs	47	47	-	-
Accruals	222	216	232	226
Other creditors	304	297	503	493
Coronavirus Business Interruption Loan (CBIL)	-	-	500	500
<b>22 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>573</b>	<b>560</b>	<b>1,235</b>	<b>1,219</b>

	<b>Group 2023</b>	<b>Parent 2023</b>	<b>Group 2022</b>	<b>Parent 2022</b>
	£'000	£'000	£'000	£'000
Clergy pension deficit	-	-	-	-
Loans:				
Talbot Village Trust	117	117	117	117
Church Commissioners	158	158	158	158
Coronavirus Business Interruption Loan (CBIL)	-	-	1,375	1,375
<b>Total loans:</b>	<b>275</b>	<b>275</b>	<b>1,650</b>	<b>1,650</b>

<b>23 CREDITORS - AMOUNTS DUE AFTER MORE THAN ONE YEAR</b>	<b>275</b>	<b>275</b>	<b>1,650</b>	<b>1,650</b>
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Loans from the Talbot Village Trust and the Church Commissioners are value linked loans on two properties and are due to be repaid on sale of the properties.

The value of the loan was increased in 2022 to match the market value of the property.

The Coronavirus interruption loan was taken out in Autumn 2020 which was fully repaid December 2023

	<b>2023</b>	<b>2022</b>
	£'000	£'000
DEC Extension	580	-
<b>24 FINANCIAL COMMITMENTS</b>	<b>580</b>	<b>-</b>

The Board approved a capital spend on the DEC extension to the value of £580,000

	<b>Group</b>	<b>Parent</b>	<b>Group</b>	<b>Parent</b>
	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	£'000	£'000	£'000	£'000
Cash	3,231	3,011	2,680	2,360
Financial assets held at fair value	34,904	34,904	31,389	31,389
Financial assets held at amortised cc	648	847	1,317	1,588
Financial liabilities held at amortised	(519)	(513)	(2,601)	(2,594)
Financial liabilities held at fair value	(275)	(275)	(275)	(275)
<b>25 FINANCIAL INSTRUMENTS</b>	<b>37,989</b>	<b>37,974</b>	<b>32,510</b>	<b>32,468</b>

- a) Financial assets held at fair value include listed and unlisted investments.
- b) Financial assets held at amortised cost includes accrued income, loans to parishes and other debtors but excludes prepayments.
- c) Financial liabilities held at amortised cost includes trade creditors, accruals, loans and other creditors but excludes deferred income and statutory taxes and valued linked loans.
- d) Financial liabilities measured at fair value are value-linked loans to the charity.

	Opening Balance £'000	Income £'000	Expenditure £'000	Pension movement £'000	Transfers £'000	Gains & Losses £'000	Revaluations £'000	Closing Balance £'000
<b>Unrestricted funds</b>								
General Fund	2,694	11,752	(13,698)	-	1,041	108	-	1,897
<b>Total General</b>	<b>2,694</b>	<b>11,752</b>	<b>(13,698)</b>	<b>-</b>	<b>1,041</b>	<b>108</b>	<b>-</b>	<b>1,897</b>
Clergy conference fund	108	-	-	-	-	-	-	108
Aldhelm Mission Fund	275	1,013	(43)	-	-	24	-	1,269
Ordinands Support Fund	-	-	(148)	-	148	-	-	-
Crompton Fund	160	13	-	-	-	24	-	198
Designated Property	18,878	-	-	-	-	-	-	18,878
<b>Total designated</b>	<b>19,421</b>	<b>1,026</b>	<b>(191)</b>	<b>-</b>	<b>148</b>	<b>48</b>	<b>-</b>	<b>20,453</b>
<b>Total unrestricted funds</b>	<b>22,115</b>	<b>12,778</b>	<b>(13,889)</b>	<b>-</b>	<b>1,189</b>	<b>156</b>	<b>-</b>	<b>22,350</b>
<b>Restricted funds</b>								
Biddlecombe for Retired Clergy	1,284	16	(5)	-	-	(73)	-	1,222
Biddlecombe for Ordinand	358	-	-	-	-	34	-	393
Evreux	(1)	-	-	-	1	-	-	-
Bishops Office	-	-	-	-	-	-	-	-
Choral fund	-	-	-	-	-	-	-	-
Pastoral & Development Fund [DPA]	4,480	78	(425)	-	-	645	-	4,778
Latvia Fund	-	-	-	-	-	-	-	-
Milton Abbey Fund	-	8	(39)	-	35	-	-	5
Music	1	-	(3)	-	2	-	-	-
Restricted funds for ministry in parishes	1,053	39	-	-	(39)	70	-	1,123
RME	52	214	(155)	-	-	-	-	111
IME pilgrimage	-	-	-	-	-	-	-	-
Strategic Development Funding	-	19	(23)	-	-	-	-	(4)
Diocesan Stipends Fund Income Account	-	870	(75)	-	(795)	-	-	-
<b>The Sudan Funds</b>								
Sudan General	117	119	(78)	-	(3)	-	-	154
Sudan Juba School	13	28	(28)	-	-	-	-	13
Sudan Medical Link Fund	54	57	(90)	-	3	-	-	24
Sudan Relief & Development Fund	-	-	-	-	-	-	-	-
<b>Total restricted funds</b>	<b>7,411</b>	<b>1,448</b>	<b>(921)</b>	<b>-</b>	<b>(796)</b>	<b>676</b>	<b>-</b>	<b>7,819</b>
<b>Expendable endowment</b>								
Benefice Houses	<b>55,849</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>(428)</b>	<b>430</b>	<b>-</b>	<b>55,849</b>
<b>Permanent endowment</b>								
Stipends Capital Account	18,945	291	(6)	-	100	607	-	19,937
Unapplied Total Return	17,811	-	-	-	38	-	2,538	20,387
Endowments for ministry in parishes	3,456	104	-	-	(103)	328	-	3,784
<b>Total Permanent endowment</b>	<b>40,212</b>	<b>395</b>	<b>(6)</b>	<b>-</b>	<b>35</b>	<b>935</b>	<b>2,538</b>	<b>44,108</b>
<b>Total endowment funds</b>	<b>96,061</b>	<b>395</b>	<b>(8)</b>	<b>-</b>	<b>(393)</b>	<b>1,365</b>	<b>2,538</b>	<b>99,957</b>
<b>26 FUND MOVEMENTS IN THE YEAR</b>	<b>125,587</b>	<b>14,621</b>	<b>(14,818)</b>	<b>-</b>	<b>-</b>	<b>2,197</b>	<b>2,538</b>	<b>130,126</b>



	Stipends Capital Account £'000	Unapplied Total Return £'000	Endowments for ministry in parishes £'000
<b>Opening Funds</b>	<b>18,945</b>	<b>17,811</b>	<b>3,456</b>
<b>Income</b>			
Investment Income	285	-	104
Movement Clergy Pension Deficit	-	-	-
Legal and professional fees	-	-	-
	<u>285</u>	<u>-</u>	<u>104</u>
<b>Transfers between funds</b>			
Investment capital movement from Stipend capital	(607)	607	-
3% from Stipend capital to cover indexation	568	(568)	-
Transfer investment income		-	(104)
	<u>(38)</u>	<u>38</u>	<u>(104)</u>
<b>Pension Movements</b>			
Movement Clergy Pension Deficit		-	-
	-	-	-
<b>Gains &amp; Losses</b>			
Profit/(Loss) of sale properties		2,538	-
Investments		-	328
	<u>607</u>	<u>2,538</u>	<u>328</u>
<b>27 PERMANENT ENDOWMENT</b>	<b><u>19,798</u></b>	<b><u>20,387</u></b>	<b><u>3,784</u></b>

	Fixed assets		Current Assets excl cash	Cash	Indexation	Creditors		Net assets
	Tangible	Investments				Current liabilities	Long term liabilities	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds</b>								
General Fund	856	2,503	528	(1,402)	-	(401)	(158)	1,926
Vision & Strategy Fund	-	-	-	(29)	-	-	-	(29)
<b>Total General</b>	856	2,503	528	(1,431)	-	(401)	(158)	1,897
Clergy conference fund	-	-	-	108	-	-	-	108
Aldhelm Mission Fund	-	286	-	984	-	-	-	1,269
Ordinands Support Fund	-	-	(51)	51	-	-	-	-
Crompton Fund	-	282	-	(55)	-	(29)	-	198
Designated Property	18,741	-	-	138	-	-	-	18,878
<b>Total designated</b>	18,741	568	(51)	1,226	-	(29)	-	20,453
<b>Total unrestricted funds</b>	19,597	3,071	477	(205)	-	(430)	(158)	22,350
<b>Restricted funds</b>								
Biddlecombe for Retired Clergy	404	738	-	81	-	(1)	-	1,222
Biddlecombe for Ordinand	-	358	-	34	-	-	-	393
Evreux	-	-	-	-	-	-	-	-
Bishops Office	-	-	3	(3)	-	-	-	-
Choral fund	-	-	-	-	-	-	-	-
Pastoral & Development Fund [DPA]	273	1,860	154	2,620	-	(13)	(117)	4,778
Latvia Fund	-	-	-	-	-	-	-	-
Milton Abbey Fund	-	-	4	3	-	(1)	-	5
Music	-	-	-	(1)	-	1	-	-
Restricted funds for ministry in parishes	-	1,038	-	85	-	-	-	1,123
RME	-	-	-	110	-	1	-	111
IME pilgrimage	-	-	-	-	-	-	-	-
Strategic Development Funding	-	-	53	(78)	-	21	-	(4)
Diocesan Stipends Fund Income Account	-	-	94	(100)	-	5	-	-
<b>The Sudan Funds</b>								
Sudan General	-	-	-	330	-	(152)	-	177
Sudan Juba School	-	-	-	13	-	-	-	13
Sudan Medical Link Fund	-	-	-	1	-	-	-	1
Sudan Relief & Development Fund	-	-	-	-	-	-	-	-
	677	3,994	308	3,095	-	(139)	(117)	7,819
<b>Expendable endowment</b>								
Benefice Houses	56,241	-	-	(391)	-	(1)	-	55,849
<b>Permanent endowment</b>								
Stipends Capital Account	9,418	10,164	(645)	764	552	(6)	(310)	19,937
Unapplied Total Return	6,051	13,885	645	48	(552)	-	310	20,387
Endowments for ministry in parishes	-	3,788	-	(3)	-	-	-	3,785
	15,469	27,837	-	809	-	(6)	-	44,109
<b>Total endowment funds</b>	71,710	27,837	-	418	-	(7)	-	99,958
<b>28 SUMMARY OF ASSETS BY FUND</b>	<b>91,984</b>	<b>34,902</b>	<b>785</b>	<b>3,308</b>	<b>-</b>	<b>(576)</b>	<b>(275)</b>	<b>130,127</b>

## PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

2022 COMPARISON	Unrestricted funds		Restricted funds	Endowment funds	Total funds
	General	Designated			2022
	£'000	£'000	£'000	£'000	£'000
<b>Income and Endowments from</b>					
Donations:					
Parish Share	9,903	-	-	-	9,903
Archbishops' Council & Church Commissioners	273	-	477	-	750
Other donations	144	1	815	-	960
Charitable activities	107	-	734	-	841
Other activities	887	-	78	-	965
Investments	123	17	299	416	855
<b>Total</b>	<b>11,437</b>	<b>18</b>	<b>2,403</b>	<b>416</b>	<b>14,274</b>
<b>Expenditure on</b>					
Raising Funds	170	-	27	-	197
Charitable activities	12,721	186	1,650	-	14,557
SDBF BC Ltd	263	-	-	-	263
<b>Total</b>	<b>13,154</b>	<b>186</b>	<b>1,677</b>	<b>-</b>	<b>15,017</b>
<b>Net (expenditure)/income before investment gains</b>	<b>(1,717)</b>	<b>(168)</b>	<b>726</b>	<b>416</b>	<b>(743)</b>
Net gains on investments/property/Glebe	(359)	(69)	(483)	(1,507)	(2,418)
<b>Net (expenditure)/income</b>	<b>(2,076)</b>	<b>(237)</b>	<b>243</b>	<b>(1,091)</b>	<b>(3,161)</b>
<b>Gross transfers between funds</b>	<b>766</b>	<b>685</b>	<b>(545)</b>	<b>(906)</b>	<b>-</b>
Movement in clergy pension creditor	-	-	-	310	310
<b>Net movement in funds</b>	<b>(1,310)</b>	<b>448</b>	<b>(302)</b>	<b>(1,687)</b>	<b>(2,851)</b>
<b>Total funds brought forward</b>	<b>4,004</b>	<b>18,974</b>	<b>7,713</b>	<b>97,748</b>	<b>128,439</b>
<b>29 Total funds carried forward</b>	<b>2,694</b>	<b>19,422</b>	<b>7,411</b>	<b>96,061</b>	<b>125,588</b>

## PRIOR YEAR FUND MOVEMENTS

2022 COMPARISON	Opening Balance	Income	Expenditure	Pension movement	Transfers	Gains & Losses	Closing Balance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds</b>							
General Fund	4,004	11,436	(13,153)	-	766	(359)	2,694
<b>Total General</b>	<b>4,004</b>	<b>11,436</b>	<b>(13,153)</b>	<b>-</b>	<b>766</b>	<b>(359)</b>	<b>2,694</b>
Clergy conference fund	93	-	-	-	15	-	108
Aldhelm Mission Fund	307	10	(11)	-	4	(35)	275
Ordinands Support Fund	-	-	(176)	-	176	-	-
Crompton Fund	186	8	-	-	-	(34)	160
Designated Property	18,388	-	-	-	490	-	18,878
<b>Total designated</b>	<b>18,974</b>	<b>18</b>	<b>(187)</b>	<b>-</b>	<b>685</b>	<b>(69)</b>	<b>19,421</b>
<b>Total unrestricted funds</b>	<b>22,978</b>	<b>11,454</b>	<b>(13,340)</b>	<b>-</b>	<b>1,451</b>	<b>(428)</b>	<b>22,115</b>
<b>Restricted funds</b>							
Biddlecombe for Retired Clergy	-	586	(2)	-	795	(96)	1,283
Biddlecombe for Ordinand	-	11	-	-	395	(48)	358
Evreux	-	-	(1)	-	-	-	(1)
Bishops Office	-	-	-	-	-	-	-
Choral fund	-	-	-	-	-	-	-
Pastoral & Development Fund [DPA]	5,119	144	(907)	-	360	(237)	4,479
Latvia Fund	-	-	-	-	-	-	-
Milton Abbey Fund	-	12	(36)	-	23	-	(1)
Music	-	8	(6)	-	-	-	2
Restricted funds for ministry in parishes	2,379	23	-	-	(1,246)	(103)	1,053
RME	52	282	(282)	-	-	-	52
IME pilgrimage	-	-	-	-	-	-	-
Strategic Development Funding	-	195	(195)	-	-	-	-
Diocesan Stipends Fund Income Account	-	911	(37)	-	(874)	-	-
<b>The Sudan Funds</b>							
Sudan General	95	92	(66)	-	(5)	-	116
Sudan Juba School	14	54	(55)	-	-	-	13
Sudan Medical Link Fund	55	85	(91)	-	5	-	54
Sudan Relief & Development Fund	-	-	-	-	-	-	-
<b>Total restricted funds</b>	<b>7,714</b>	<b>2,403</b>	<b>(1,678)</b>	<b>-</b>	<b>(547)</b>	<b>(484)</b>	<b>7,408</b>
<b>Expendable endowment</b>							
Benefice Houses	56,339	-	-	-	(490)	-	55,849
<b>Permanent endowment</b>							
Stipends Capital Account	18,393	-	-	-	552	-	18,945
Unapplied Total Return	19,101	313	-	310	(865)	(1,048)	17,811
Endowments for ministry in parishes	3,915	103	-	-	(103)	(459)	3,456
	<b>41,409</b>	<b>416</b>	<b>-</b>	<b>310</b>	<b>(416)</b>	<b>(1,507)</b>	<b>40,212</b>
Total Endowment Funds	97,748	416	-	310	(906)	(1,507)	96,061
<b>30 Total Funds</b>	<b>128,440</b>	<b>14,273</b>	<b>(15,018)</b>	<b>310</b>	<b>(2)</b>	<b>(2,419)</b>	<b>125,584</b>



## PRIOR YEAR SUMMARY OF ASSETS BY FUND

2022 COMPARISON	Opening Balance	Fixed assets			Cash	Transfer to Unapplied Total Return	Creditors		Net assets
		Tangible	Investments	Current Assets excl cash			Current liabilities	Long term liabilities	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds</b>									
General Fund	3,163	1,928	2,396	701	394	-	(1,193)	(1,533)	2,693
<b>Total General</b>	<b>3,163</b>	<b>1,928</b>	<b>2,396</b>	<b>701</b>	<b>394</b>	<b>-</b>	<b>(1,193)</b>	<b>(1,533)</b>	<b>2,693</b>
Clergy conference fund	78	-	-	-	108	-	-	-	108
Aldhelm Mission Fund	255	-	261	-	14	-	-	-	275
Ordinands Support Fund	-	-	-	-	-	-	-	-	-
Crompton Fund	162	-	258	-	(68)	-	(29)	-	161
Designated Property	-	18,878	-	-	-	-	-	-	18,878
<b>Total designated</b>	<b>495</b>	<b>18,878</b>	<b>519</b>	<b>-</b>	<b>54</b>	<b>-</b>	<b>(29)</b>	<b>-</b>	<b>19,422</b>
<b>Total unrestricted funds</b>	<b>3,658</b>	<b>20,806</b>	<b>2,915</b>	<b>701</b>	<b>448</b>	<b>-</b>	<b>(1,222)</b>	<b>(1,533)</b>	<b>22,115</b>
<b>Restricted funds</b>									
Biddlecombe for Retired Clergy	-	550	736	-	(2)	-	-	-	1,284
Biddlecombe for Ordinand	-	-	358	-	-	-	-	-	358
Evreux	-	-	-	-	(1)	-	-	-	(1)
Bishops Office	-	-	-	3	(3)	-	-	-	-
Choral fund	14	-	-	-	-	-	-	-	-
Pastoral & Development Fund [DPA]	24,797	-	1,780	150	2,674	-	(8)	(117)	4,479
Latvia Fund	(3)	-	-	-	-	-	-	-	-
Milton Abbey Fund	-	-	-	4	2	-	(5)	-	1
Music	-	-	-	-	1	-	-	-	1
Restricted funds for ministry in parishes	2,115	-	862	-	191	-	-	-	1,053
RME	34	-	-	-	52	-	-	-	52
IME pilgrimage	6	-	-	-	-	-	-	-	-
Strategic Development Funding	1	-	-	53	(53)	-	-	-	-
Diocesan Stipends Fund Income Account	-	-	-	-	-	-	-	-	-
<b>The Sudan Funds</b>									
Sudan General	122	-	-	-	140	-	-	-	140
Sudan Juba School	27	-	-	-	13	-	-	-	13
Sudan Medical Link Fund	24	-	-	-	31	-	-	-	31
Sudan Relief & Development Fund	-	-	-	-	-	-	-	-	-
<b>Total restricted funds</b>	<b>27,137</b>	<b>550</b>	<b>3,736</b>	<b>210</b>	<b>3,045</b>	<b>-</b>	<b>(13)</b>	<b>(117)</b>	<b>7,411</b>
<b>Expendable endowment</b>									
<b>Benefice Houses</b>	<b>56,019</b>	<b>56,666</b>	<b>-</b>	<b>-</b>	<b>(817)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,849</b>
<b>Permanent endowment</b>									
Stipends Capital Account	35,429	8,773	9,931	-	(1)	552	-	(310)	18,945
Unapplied Total Return	-	6,051	11,347	645	10	(552)	-	310	17,811
Endowments for ministry in parishes	3,423	-	3,459	-	(3)	-	-	-	3,456
<b>Total endowment funds</b>	<b>94,871</b>	<b>71,490</b>	<b>24,737</b>	<b>645</b>	<b>(811)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96,061</b>
<b>31 Total Funds</b>	<b>125,666</b>	<b>92,846</b>	<b>31,388</b>	<b>1,556</b>	<b>2,682</b>	<b>-</b>	<b>(1,235)</b>	<b>(1,650)</b>	<b>125,587</b>

## ANALYSIS OF FUNDS

### Unrestricted funds

Unrestricted funds comprise those funds which are available for application for the general purposes of the DBF as set out in its governing document.

#### **The General Fund:**

Meets or receives the balance on activities funded by the Parish Share through the Diocesan budget. These activities include principally the costs of stipendiary ministry in the parishes of the Diocese, including clergy housing, as well as all Diocesan activities in support of parish ministry. The general fund also meets all governance costs.

#### **The Clergy Conference Fund:**

Meets the costs of the clergy residential conference, which is held every three or four years, with the most recent being held during 2017. The Diocesan budget includes a provision each year which is then used to meet the conference costs.

#### **The Aldhelm Mission Fund:**

Established in 2004, to commemorate, in 2005, the 1300th anniversary of the consecration of Aldhelm as first Bishop of Sherborne. The purpose of the fund is to support new expressions of church in the Diocese and to help fund mission posts. Applications are invited from within the Diocese for projects that connect the church to the wider community for the purpose of proclaiming the gospel.

#### **The Ordinands' Support Fund:**

Established by the DBF in 2005, to provide a fund out of which the unpredictable costs of supporting ordinands and their families being sponsored by the Diocese can

#### **The Crompton Fund:**

Established by the DBF in 2005, from a generous bequest from Col John Crompton. The fund is used for clergy work-based learning, ministry skills development and special situations.

#### **The Designated Property Fund:**

Created in 2021 to hold all properties that are not team vicarages or benefice houses.

### Endowment funds

Endowment funds represent those assets which must be held either long term or permanently by the DBF.

#### Expendable Endowments

##### **Stipend Capital Account**

Adoption of total return in principle with regards to investments held in the endowment fund Stipend Capital Account was

##### **Benefice Houses**

This represents the value of the benefice houses in the Diocese. When, following pastoral reorganisation, benefice houses are no longer required they are transferred either to the Pastoral and Development fund or to the Stipend Capital account according to the decision of Bishop's Council.

#### Permanent Endowments

The DBF holds a number of permanent endowments to support parochial ministry.

## Restricted funds

The income funds of the DBF include restricted funds comprising the following unexpended balances of donations, grants and **Pastoral & Development Fund (DPA)**

its purposes are laid down in the Pastoral Measure 1983, the main ones being:

- to meet costs incurred for the purposes of the Measure or any scheme or order made by the Measure except for salaries of regular Diocesan employees.
- to meet costs of disposing of or maintaining houses or churches vested in the DBF or Church Commissioners.
- for transfer to the DSF Capital or Income Funds.

The DBF uses the fund principally for capital housing costs, redundant churches and for grants and loans to parishes for capital projects.

### **Stipend Income Account:**

Receives the income arising from the Stipends Fund Capital Account and other income restricted to provide for stipends of clergy in the Diocese. As so far this has always been less than the cost of stipends, the income has always fully expended with no balance carried forward.

### **The Sudan Funds:**

Constitute the funds of the DBF established to promote and manage the link between the Diocese of Salisbury and the Episcopal Church of the Sudan (ECS) which was established in 1973. The detailed management of the Sudan Funds is delegated to the Diocesan Sudan Committee which reports to the DBF and is represented on it. The Committee's activities are channelled

#### ● **Sudan General:**

The primary purpose is the theological education and education more generally of Sudanese, both through supporting individuals in their training for ministry, and also the institutions and schools providing such training and education. The general fund also receives and passes on donations from parishes in the Diocese of Salisbury which have established links with the Church in Sudan, mainly through visits from Sudanese bishops and other clergy.

#### ● **Sudan Relief & Development Fund:**

Provides relief aid and grant aid for development projects.

#### ● **Sudan Medical Link Fund:**

Established in 1986 through an initiative of Mrs Jill Baker. It funds and ships medical supplies into clinics in Sudan and supports training for health workers.

#### ● **Sudan Juba Fund:**

Supports the Juba School. channelling money into support of the school.

**Biddlecombe for Retired Clergy** created in 2012 for the purpose of providing assistance, continued support and housing for retired clergy.

**Biddlecombe for Ordinand** funds assistance, support and housing for Ordinands.

**Milton Abbey Fund** is used to fund general maintenance costs of Milton Abbey and St Catherine at Milton Abbas. Grant income is sought for larger projects.

**Latvia Fund** holds the funds received to promote the Diocesan link with the Evangelical Lutheran Church of Latvia.

**Bishops' Office Equipment Fund** established in 2007 following the Church Commissioners decision to devolve certain responsibilities for bishops' office equipment and IT support to Dioceses. This responsibility was accompanied by funding which is restricted to this specific purpose and an annual grant in future years is anticipated to cover the DBF's costs in this area.

**Other Restricted Funds** are a number of trusts for, or to support ministry in parishes.

TRANSFER BETWEEN FUNDS 2023	General	Benefice houses	Diocesan Investments	Evreux	Latvia	Milton Abbey	Music	Ordinands Maint	Parish ministry	Stipend Capital	Stipend income	Sudan General	Sudan Medical	Unapplied Total Return	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Transfers within the year</b>															
Sudan General to Sudan Medical - Midwife Training	-	-	-	-	-	-	-	-	-	-	-	3	(3)	-	-
Benefice houses to General	2	(2)	-	-	-	-	-	-	-	-	-	-	-	-	-
General to Evreux	1	-	-	(1)	-	-	-	-	-	-	-	-	-	-	-
General to Milton Abbey	35	-	-	-	-	(35)	-	-	-	-	-	-	-	-	-
General to Music	2	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-
Ordinands to General	148	-	-	-	-	-	-	(148)	-	-	-	-	-	-	-
General to Parish Ministry	(39)	-	-	-	-	-	-	-	39	-	-	-	-	-	-
<b>Transfer Investment Income</b>															
Stipend Capital to Unapplied total return	-	-	-	-	-	-	-	-	-	607	-	-	-	(607)	-
Benefice Houses to Stipends Capital: Profit on Morden	-	430	-	-	-	-	-	-	-	(430)	-	-	-	-	-
Stipends Capital: Sarasins Inv Income	(291)	-	-	-	-	-	-	-	-	291	-	-	-	-	-
Stipends Income to General: Stipend Inv	(795)	-	-	-	-	-	-	-	-	-	795	-	-	-	-
Diocesan Investments to General	(104)	-	104	-	-	-	-	-	-	-	-	-	-	-	-
<b>Unapplied Total Return (UTR)</b>															
Unapplied Total Return to Stipend Capital	-	-	-	-	-	-	-	-	-	(568)	-	-	-	568	-
<b>Total</b>	<b>(1,041)</b>	<b>428</b>	<b>104</b>	<b>(1)</b>	<b>-</b>	<b>(35)</b>	<b>(2)</b>	<b>(148)</b>	<b>39</b>	<b>(100)</b>	<b>795</b>	<b>3</b>	<b>(3)</b>	<b>(39)</b>	<b>-</b>



## PENSIONS

### LAY STAFF

#### Church Workers Pension Fund (CWPF)

DBF participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers

CWPF has two sections:

- 1 Defined Benefits Scheme
- 2 Pension Builder Scheme

#### Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2022: £46k, 2021: £66k) plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of £46k for 2022 (2021: £66k).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board having taken advice from the Actuary.

A valuation of DBS is carried out once every three years. The most recently finalised valuation was carried out as at 31 December 2012. In this valuation, the Life Risk Section was found to be in surplus and this led to investigating the future of the scheme.

The next actuarial valuation was due at 31 December 2023.

Following the 2019 valuation, the Employer entered into an agreement with the Church Workers Pension Fund to pay a

contribution rate of 32.9% of pensionable salary and expenses of £10,100 per year.

The movement in the provision is set out below:

		December 2023	December 2022	December 2021
Discount rate	p.a	0.0%	0.0%	0.0%

## CLERGY PERSONNEL

### Clergy Pension Scheme

The membership figures that we hold as at December 2021 and December 2022 for Salisbury DBF are set out in the table below. These are used as part of the DBF's calculation of the deficit contributions in payment at each year-end, which in turn feed into the FRS102 calculations, so are provided here for reference.

	December 2023	December 2022
Number of members at this Responsible Body	176	178

The DBF participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the 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.

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

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

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the scheme was no longer in deficit.

As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

	<b>Jan 2021 to Dec 2022</b>	<b>Jan 2018 to Dec 2020</b>
Percentage of pensionable stipends		
Deficit repair contributions	7.1%	11.90%

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 2023 and 2022 is set out in the table below.

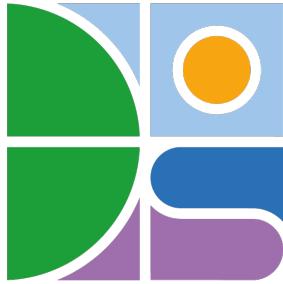
<b>Percentage of pensionable stipends</b>	<b>2023</b>	<b>2022</b>
	£'000	£'000
Balance sheet liability at 1 January	-	310
Deficit contribution paid	-	(183)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	(127)
<b>Balance sheet liability at 31 December</b>	<b>-</b>	<b>-</b>

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

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

		<b>December 2023</b>	<b>December 2022</b>	<b>December 2021</b>
Discount rate	p.a.	n/a	n/a	0.0%
Price Inflation	p.a.	n/a	n/a	n/a
Increase to total pensionable payroll	p.a.	n/a	n/a	-1.5%

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



# **Diocese of Salisbury**

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