

Registered no: 924565
Registered as a Charity (no: 249810)

**Swansea and Brecon Diocesan
Board of Finance Limited
Annual report
for the year ended 31 December 2005**



Swansea and Brecon Diocesan Board of Finance Limited

Annual Report for the year ended 31 December 2005

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Swansea and Brecon Diocesan Board of Finance Limited

Legal and administrative details

The full name of the charity is Swansea and Brecon Diocesan Board of Finance Limited. It is constituted as an incorporated company limited by guarantee and not having a share capital. The company registration number is 924565 and the charity registration number is 249810. Details of directors currently holding office, secretary, registered office, registered auditors, principal bankers and stockbrokers are set out below. The company's directors are the trustees of the charitable company.

Board of Directors

The Rt Revd Anthony Edward Pierce (**President**).
Mr William Nigel Henry Legge-Bourke (**Chairman**).
The Ven Alfred James Randolph Thomas.
The Ven Robert John Williams.
The Very Revd John David Edward Davies.
The Revd Peter John Williams.
Mr Clive Rees.
Mr Gwynfor Lewis.
Mr David Arthur Morris.

Secretary

Mrs Heather Price.

Registered Office

8a High Street, Brecon, Powys, LD3 7AL.

Registered Auditors

PricewaterhouseCoopers LLP, Princess House, Princess Way, Swansea, SA1 5LH.

Bankers

HSBC, Portland Street Branch, Portland Street, Swansea, SA1 3DF.

Stockbrokers

Brewin Dolphin Securities Ltd, 5 Giltspur Street, London, EC1A 9BD

Swansea and Brecon Diocesan Board of Finance Limited

Directors' report for the year ended 31 December 2005

The directors have pleasure in submitting their annual report and the audited financial statements of the company for the year ended 31 December 2005.

Legal and administrative details

The legal and administrative details of the company and details of the directors currently holding office, secretary, registered office, registered auditors, principal bankers and stockbrokers are shown on page 1. The Governing document of the company is the Memorandum and Articles of Association.

The Swansea and Brecon Diocesan Board of Finance Limited ('the Board of Finance') was set up under the provisions of the Constitution of the Church in Wales, Chapter IV, paragraph 16, with the general remit of supporting the ministry and mission of the Church in the Diocese of Swansea and Brecon and further afield as necessary.

The Board of Finance has ex officio members which include the Bishop of the Diocese, senior clergy and Diocesan officers, and one cleric and two lay members elected by each Area Deanery Conference. In addition, the Bishop may nominate up to ten members and the Board of Finance may co-opt up to ten members. The Board of Finance generally meets twice annually, the management of the company being under the direction of a Board of Directors which meets as and when required. There is a small salaried staff which also administers to the Diocesan Trust, the Diocesan Board for Social Responsibility, and Llangasty Retreat House Trust.

Principal activities and review of activities for the year

Once again your Directors are able to report a surplus of income over expenditure for the year (£124,315). However this was again mainly due to unbudgeted vacancies in incumbencies during the year (£113,874).

In view of the ever increasing demands on Parishes, budgeting has been extremely tight and will continue to be so. That said, with the reductions in clergy numbers already undertaken and planned for the future, anomalies have become apparent in some groupings' apportionment of Parish share. A working party has been convened to try and find a simpler and, in some cases, fairer method of calculation.

From 2007 onwards your Board will become responsible for much expenditure previously undertaken by the Representative Body, who will then fund a block grant to Dioceses. It appears unlikely that the level of this grant will be maintained over the foreseeable future. Some hard choices will therefore have to be made by your Board in prioritising future expenditure.

Your Board has been mindful of the low level of Capital Reserves available should any major problem arise in the future. They amount to under 6 month's expenditure. The recent recovery in the Stock Market has been more than welcome and your Board has shared in that recovery but the FT 100 share index is still well below the level of 1999. Your Board has had to balance the need for income with an equal need for growth in the medium to long term to underpin the Board's commitments.

Swansea and Brecon Diocesan Board of Finance Limited

Principal activities and review of activities for the year (continued)

Your Board has continued to require the Parsonage Board to explore possible sales of unsuitable properties or plots in over large gardens and to reinvest in either new build or the purchase of more suitable accommodation for our Clerics. The overall standard of accommodation has continued to improve and your directors wish to thank the Chairman, his Board and the Inspector for their continuing efforts to that end.

The costs of administering the diocese have been held very satisfactorily – and well below those of other dioceses in the Province but the long arm of bureaucracy is ever lengthening with changes to Health and Safety, HR, IT, Charity Law and increased responsibility handed down by the Representative Body. Our small staff fully deserve our thanks but it is imprudent to add these further demands without some increase in resources in the future.

One organisational change has been made in the appointment of an Audit Committee of the Board. This has two purposes; firstly to ensure that the Board's expenditure of the Representative Body's grant is in accordance with the terms laid down, and secondly to be available to advise or assist any Parish with an intractable financial problem or dispute.

Your Directors therefore commend this Report to you after a busy but we believe fruitful year in the service of our faith.

Results - Unrestricted Funds

The net movements for the year on unrestricted income funds are as follows:

	Net incoming resources for the year after transfers £	Gains on revaluation and disposal of fixed asset investments £	Total movements for the year £
General Fund Reserve	-	42,902	42,902
General Fund Reserve for future expenditure increases	163,979	-	163,979
	163,979	42,902	206,881

Swansea and Brecon Diocesan Board of Finance Limited

Results – Restricted Funds

The net movements for the year on restricted funds are as follows:

	Net (outgoing) resources for the year after transfers £	Gains on revaluation and disposal of fixed asset investments £	Total movements for the year £
Parsonage Maintenance Fund (restricted income fund)	(39,664)	-	(39,664)
Legacy and Benefactions Account and Trust Funds (restricted capital, endowment funds)	-	79,016	79,016
	(39,664)	79,016	39,352

Directors

The directors who currently hold office are shown on page 1.

There were no changes to directors holding office since the balance sheet date.

Method of Appointing Trustees

The directors of the company also act as trustees for the charitable activities of the company.

Trustees are appointed by the Diocesan Board of Finance annually at the Annual General Meeting, and all persons appointed as trustees must be members of the Board of Finance.

Management of Investments

The Board, whilst retaining overall responsibility for the company's investments, has devolved the management of the investments to Brewin Dolphin Securities Limited. The Board has requested that the sums are invested in low to medium risk investments, within parameters set by the Board, whilst maximising the return they generate. Part of the Board's portfolio is invested in growth stocks, and on taking the long term view there should not be a need to transfer part of the income to capital. The investments are made in accordance with the Representative Body Ethical Investment Policy.

Financial statements

The Company is a registered charity and so achievements cannot be measured by normal commercial criteria. Accordingly, the directors consider that it would be inappropriate to present a Profit and Loss Account in one of the formats set out in the Companies Act 1985. Therefore, as permitted by the Companies Act, in order to reflect the special nature of the company's activities, a Statement of Financial Activities has been presented.

Swansea and Brecon Diocesan Board of Finance Limited

Charitable status

The Board of Finance is a registered charity (No 249810) and as such is not subject to United Kingdom taxation.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the annual general meeting.

Risk management in the company

A key element in the care and diligence expected of the Board of Finance, and therefore one of the main responsibilities of the directors, is to assess the risks affecting the company as carefully and comprehensively as possible. This obligation includes careful consideration and assessment of risks affecting the company's assets, its financial position, and its results. The directors have in place a risk management system to permanently cover significant risks (ensuring suitable assessment of the risks), providing reports to the directors as appropriate, in order to ensure that risks are taken into account in the context of all relevant decisions. Factors carefully examined and assessed include for example the impact of the share of incoming resources expected to be provided by the Representative Body of The Church in Wales in future periods, and the effect this is likely to have on the company's budgets for future periods (see pages 2 and 3). The Board of Finance has agreed to set up an Audit Committee to oversee all management systems and to provide reports to the Board, and this should be in place during 2006.

Statement of directors' responsibilities for preparing the financial statements

The directors are required by UK company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the surplus or deficit and total recognised gains or losses of the company for that year.

The directors confirm that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, in the preparation of the financial statements for the year ended 31 December 2005. The directors also confirm that applicable accounting standards have been followed and that the going concern basis is appropriate.

The directors are responsible for maintaining adequate accounting records, for safeguarding the assets of the company and for taking reasonable steps to prevent and detect fraud and other irregularities.

By order of the board



Secretary
2 May 2006

Swansea and Brecon Diocesan Board of Finance Limited

Independent auditors' report to the members of Swansea and Brecon Diocesan Board of Finance Limited

We have audited the financial statements of Swansea and Brecon Diocesan Board of Finance Limited which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies therein.

Respective responsibilities of directors and auditors

The directors also act as trustees for the charitable activities of the Swansea and Brecon Diocesan Board of Finance Limited. As described in the Statement of Directors' Responsibilities the directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume any responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

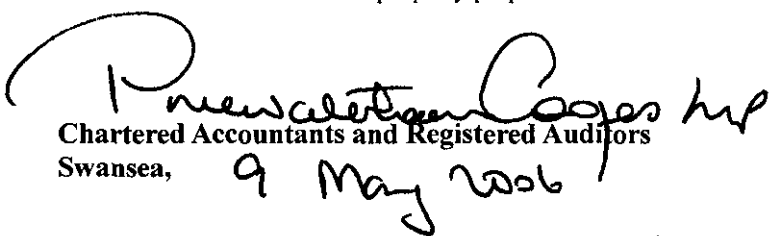
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs at 31 December 2005 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- and have been properly prepared in accordance with the Companies Act 1985.


Chartered Accountants and Registered Auditors
Swansea, 9 May 2006

Swansea and Brecon Diocesan Board of Finance Limited

Statement of Financial Activities for the year ended 31 December 2005

	Notes	Unrestricted Funds 2005	Restricted Income Fund 2005	Restricted Capital, Endowment Funds 2005	Total Funds 2005	Total Funds 2004
		£	£	£	£	£
Incoming resources						
From operating activities in furtherance of the charity's objectives						
Contributions from Representative Body	4.1	368,205	105,115	-	473,320	546,937
Contributions from Parishes	4.2	1,768,139	-	-	1,768,139	1,660,227
Income for Maintenance of Parsonages	13	-	263,512	-	263,512	141,466
		2,136,344	368,627	-	2,504,971	2,348,630
Other incoming resources						
Income from bequests		-	51	18,886	18,937	18,878
Other income	4.3	77,735	-	-	77,735	60,927
Investment income	4.4	65,680	-	-	65,680	63,885
Total incoming resources		2,279,759	368,678	18,886	2,667,323	2,492,320
Resources expended						
Direct charitable expenditure in furtherance of the charity's objectives						
Maintenance of the Ordained Ministry	5.1	1,566,394	-	407	1,566,801	1,610,661
Diocesan Ministry expenses	5.2	27,136	-	5,059	32,195	40,071
Diocesan Mission expenses	5.3	64,778	-	5	64,783	60,789
Diocesan Education expenses	5.4	20,823	-	28	20,851	20,025
Diocesan and General Grants	5.5	49,783	-	13,387	63,170	60,800
Maintenance of Parsonages	13	-	606,181	-	606,181	389,590
Diocesan Expenses	5.6	98,670	-	-	98,670	95,286
Diocesan Housing expenses		7,200	-	-	7,200	7,200
		1,834,784	606,181	18,886	2,459,851	2,284,422
Other expenditure						
Management and administration	5.7	83,157	-	-	83,157	80,494
Total resources expended		1,917,941	606,181	18,886	2,543,008	2,364,916
Net incoming/(outgoing) resources for the year before transfers						
		361,818	(237,503)	-	124,315	127,404
Transfer from Unrestricted Funds to Parsonage Maintenance Fund - restricted income fund						
		(197,839)	197,839	-	-	-
Net incoming/(outgoing) resources for the year c/f before revaluations and disposals of fixed asset investments						
	12	163,979	(39,664)	-	124,315	127,404

Swansea and Brecon Diocesan Board of Finance Limited

Statement of Financial Activities for the year ended 31 December 2005 (continued)

	Note	Unrestricted Funds 2005	Restricted Income Fund 2005	Restricted Capital, Endowment Funds 2005	Total Funds 2005	Total Funds 2004
		£	£	£	£	£
Net incoming/(outgoing) resources for the year b/f before revaluations and disposals of fixed asset investments	12	163,979	(39,664)	-	124,315	127,404
Gains on investments	12	42,902	-	79,016	121,918	11,110
Net movement in funds for the year		206,881	(39,664)	79,016	246,233	138,514
Total funds brought forward at 1 January 2005		1,169,620	110,769	580,180	1,860,569	1,722,055
Total funds carried forward at 31 December 2005		1,376,501	71,105	659,196	2,106,802	1,860,569

The company's operations are continuing.

The statement of financial activities includes the company's income and expenditure for the year. A summary income and expenditure account for the year for the aggregate of the unrestricted funds and the restricted income fund is set out on page 9. The net income for the year and previous year on the historical cost basis of accounting for those funds is also referred to on page 9.

The net movements on the Restricted, Capital, Endowment Funds for the year ended 31 December 2005 comprise only gains on revaluation of fixed asset investments. Further details are given on page 19.

There are no recognised gains and losses for the year ended 31 December 2005 or for the previous year other than those included above and on page 7, (gains and losses from which the net movement in funds are derived). As a consequence, no separate statement of total recognised gains and losses for the year has been presented.

A detailed analysis of the incoming and outgoing resources is given on page 7 and in the respective notes to the financial statements. The notes on pages 11 to 20 form part of the financial statements.

Swansea and Brecon Diocesan Board of Finance Limited

Summary income and expenditure account for the year ended 31 December 2005

A summary income and expenditure account in respect of the unrestricted funds and the restricted income fund is set out below:

	2005 £	2004 £
Continuing operations		
Income		
From operating activities in furtherance of the charities objectives (see page 7)	2,504,971	2,348,630
Other incoming resources (see page 7):		
Income from bequests	51	48
Other income	77,735	60,927
Investment income	65,680	63,885
	143,466	124,860
	2,648,437	2,473,490
Expenditure		
Direct charitable expenditure in furtherance of the charity's objectives (see page 7)	2,440,965	2,265,592
Expenditure on management and administration (see page 7)	83,157	80,494
	2,524,122	2,346,086
Net income for the year before gains/(losses) on fixed asset investments (see page 19)	124,315	127,404
Profits/(losses) arising on fixed asset investments (see page 19)	31,179	(25,794)
Net income for the year	155,494	101,610

The net income on the historical cost basis of accounting for the unrestricted funds and the restricted income fund, for the year ended 31 December 2005 and for the previous year, is equivalent to the figures set out above.

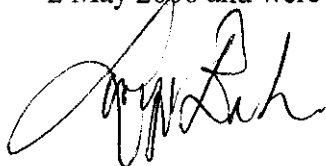
The net income for the year and previous year before profits/(losses) on fixed asset investments is equivalent to the total of net incoming resources shown at the foot of the Statement of Financial Activities on page 7, (ie the total which represents the net incoming resources before revaluations and disposals of fixed asset investments).

Swansea and Brecon Diocesan Board of Finance Limited

Balance sheet at 31 December 2005

	Notes	2005 £	2004 £
Fixed assets			
Investments	6	<u>1,442,933</u>	<u>1,320,204</u>
Current assets			
Debtors: due after more than one year	7	662,903	678,342
Debtors: due within one year	8	225,404	167,225
Short term deposits	9	734,340	648,333
Bank and cash balances		85,516	31,295
		<u>1,708,163</u>	<u>1,525,195</u>
Creditors: amounts falling due within one year	10	<u>(381,941)</u>	<u>(306,507)</u>
Net current assets		<u>1,326,222</u>	<u>1,218,688</u>
Total assets less current liabilities		<u>2,769,155</u>	<u>2,538,892</u>
Creditors: amounts falling due after more than one year	11	<u>(662,353)</u>	<u>(678,323)</u>
Net assets		<u>2,106,802</u>	<u>1,860,569</u>
Funds			
Unrestricted income funds	12	<u>1,376,501</u>	<u>1,169,620</u>
Restricted funds			
Parsonage Maintenance Fund (restricted income fund)	12	71,105	110,769
Legacy and Benefactions Account and Trust Funds	12	659,196	580,180
		<u>730,301</u>	<u>690,949</u>
Total funds		<u>2,106,802</u>	<u>1,860,569</u>

The financial statements on pages 7 to 20 were approved by the board of directors on 2 May 2006 and were signed on its behalf by:



Chairman

Swansea and Brecon Diocesan Board of Finance Limited

Notes to the financial statements for the year ended 31 December 2005

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, and in compliance with the Statement of Recommended Practice (Accounting and Reporting by Charities) revised in October 2000 and in accordance with the Companies Act 1985. A summary of the more important accounting policies is set out below.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost basis of accounting as modified by the revaluation of fixed asset investments.

Statement of Financial Activities

In accordance with the Statement of Recommended Practice (Accounting and Reporting by Charities), a Statement of Financial Activities has been included in the financial statements on pages 7 and 8.

Fixed asset investments

Fixed asset investments are stated at market value or at the directors' best estimate of market value at the balance sheet date, with gains or losses on revaluation being included in the Statement of Financial Activities. This accounting policy is in accordance with the SORP.

Grants receivable

Grants are credited as incoming resources in the Statement of Financial Activities at the time when the grant becomes receivable and receipt is reasonably certain.

Liabilities (including grants payable and provisions)

Liabilities including grants payable and provisions are recognised in the financial statements when a present obligation exists at the balance sheet date, which gives rise to the probability of a transfer of economic benefits occurring in future periods to settle the obligation.

Income

Income is accounted for on an accruals basis, except for donations (other than Parochial Share) which are accounted for when received. Legacies are credited to the Statement of Financial Activities at the time of receipt, and bequests in the form of investments are included at their estimated value at the time of receipt.

Pension scheme contributions

Contributions are made to defined contribution (money purchase) pension arrangements, the assets of which are held separately from those of the company in independently administered funds. The defined contributions to the money purchase pension arrangements are charged to the Statement of Financial Activities as incurred.

Swansea and Brecon Diocesan Board of Finance Limited

2 Cash flow Statement

The company qualifies as a small company under the Companies Act 1985. It has therefore taken advantage of the exemption in FRS1 "Cash flow Statements" and has not prepared a cash flow statement.

3 Turnover

The company does not undertake trading on its own account. The activity of the company is the management of such finances of the Diocese of Swansea and Brecon as are vested in, or are payable to the company.

4 Incoming resources

	2005	2004
	£	£
4.1 Contributions from the Representative Body		
Maintenance of Ministry Fund	346,357	417,762
Maintenance of Parsonages (restricted income fund – see note 13)	105,115	104,247
Council Tax	21,848	24,928
	<u>473,320</u>	<u>546,937</u>
4.2 Contributions from Parishes	£	£
Parish Share assessed by the DBF	<u>1,768,139</u>	<u>1,660,227</u>
4.3 Other income	£	£
Grants received:		
Diocesan Trust – for Statutory Education	500	500
Representative Body – Diocesan Advisory Committee	8,333	8,333
Allchurches Trust	18,670	11,200
Resource Centres:		
Eastmoor Resource Centre, Swansea	28,945	21,161
Diocesan Centre, Brecon	7,010	6,804
Widows, Orphans and Dependants	1,157	702
Miscellaneous	22	-
Contributions from Diocesan and other organisations	13,098	12,227
	<u>77,735</u>	<u>60,927</u>
4.4 Investment income	£	£
Income from fixed asset investments	35,578	43,214
Income from Representative Body Common Investment Fund Units	1,313	1,209
Bank and short term deposit interest	28,775	19,448
Other interest	14	14
	<u>65,680</u>	<u>63,885</u>

Swansea and Brecon Diocesan Board of Finance Limited

5 Resources expended

	2005	2004
	£	£
5.1 Maintenance of the Ordained Ministry		
Stipends and Allowances	1,437,629	1,486,278
Maintenance of Services	3,858	3,750
Removal and Disturbance Allowances	13,615	15,866
Custodians Expenses	2,731	196
Death in service insurance	13,170	13,328
Council Tax	87,566	86,243
Other Expenses	8,232	5,000
	<u>1,566,801</u>	<u>1,610,661</u>
5.2 Diocesan Council for Ministry	£	£
Ministry – general expenditure	3,399	5,222
Ministerial training	8,468	6,074
Ordinands training	11,860	19,552
Rural Life Ministry	479	1,163
Reader's Association	2,989	3,060
Clergy School	5,000	5,000
	<u>32,195</u>	<u>40,071</u>
5.3 Diocesan Council for Mission	£	£
Mission – general expenditure	5,104	1,334
Evangelism	1,815	1,020
Stewardship	(404)	796
Social Responsibility	32,556	33,717
The Church Worldwide	21,338	21,096
Communications and Media	4,337	2,321
Ecumenism	15	5
Interfaith	22	-
Tourism	-	500
	<u>64,783</u>	<u>60,789</u>
5.4 Diocesan Council for Education	£	£
Education – general expenditure	3,264	966
Statutory education	6,839	8,549
Children's work	5,459	5,620
Youth work	2,954	3,573
Higher education chaplaincy expenses	2,335	1,317
	<u>20,851</u>	<u>20,025</u>

Swansea and Brecon Diocesan Board of Finance Limited

5 Resources expended (continued)

	2005	2004
	£	£
5.5 Diocesan and General Grants		
Bishop's Fund	8,000	7,775
Brecon Cathedral	9,020	8,800
Church Repair Grants	10,000	10,000
Parish Mission Grants	4,000	4,000
Parish Assistance Fund	10,000	10,000
Llangasty Retreat House	5,500	5,575
Widows, orphans and dependants	13,450	10,950
Other grants	3,200	3,700
	63,170	60,800
5.6 Diocesan Expenses	£	£
Diocesan Conference and Elections	1,968	1,982
Newsletters and Diocesan Directory	4,247	6,576
Area Deans' expenses of office	787	771
Quinquennial Inspections	19,250	18,700
Diocesan Advisory Committee expenses	8,333	8,333
Churches and Pastoral Committee expenses	401	535
Essential Repairs at Cathedral Close	5,000	5,000
Child Protection	243	132
Diocesan Archivist	200	200
Welsh Language	1,000	-
Contingency Expenditure	-	-
Eastmoor Centre	33,944	31,134
Diocesan Centre	23,297	21,923
	98,670	95,286
5.7 Management and administration	£	£
Salaries including pensions and pension scheme contributions (see also Note 5.8)	61,568	60,595
Staff expenses	1,147	998
Office expenses	13,390	13,161
Auditors' remuneration for audit	3,672	3,507
Company expenses	3,380	2,233
	83,157	80,494

Swansea and Brecon Diocesan Board of Finance Limited

5 Resources expended (continued)

	2005	2004
5.8 Salaries including pensions and pension scheme contributions	£	£
Salaries	106,703	102,680
Social security costs	7,667	7,543
	<u>114,370</u>	<u>110,223</u>
Pensions	1,977	1,929
Pension scheme contributions	6,615	6,882
	<u>122,962</u>	<u>119,034</u>

Total salaries and related costs are charged to the Statement of Financial Activities as follows:

	£	£
Management and administration	54,106	52,572
Parsonage Maintenance expenditure	17,607	16,864
Diocesan Officers – Mission	3,160	500
Diocesan Officers – Education	6,527	6,944
Resource Centres and DAC Secretaries	32,770	33,143
Child Protection Officer	200	200
	<u>114,370</u>	<u>110,223</u>

No remuneration was paid to directors for the year ended 31 December 2005 or for the previous year. For the year ended 31 December 2005, two directors were reimbursed travelling expenses, which amounted to £722. For the previous year ended 31 December 2004, two directors were reimbursed travelling expenses amounting to £838.

The pension scheme contributions are defined contributions payable by the company to funds, the assets of which are held separately from those of the company.

No employees earned £50,000 or more for the year ended 31 December 2005 or for the previous year.

The average weekly number of persons employed during the year was 6 (2004: 6).

Swansea and Brecon Diocesan Board of Finance Limited

6 Fixed asset investments

	Investments UK - listed	Investments – fixed interest debentures & corporate bonds	Investments - UK Unit trusts and authorised investment funds	Other investments	Total investments
	£	£	£	£	£
Book and market value					
At 1 January 2005	264,633	192,217	236,489	626,865	1,320,204
Additions less disposals	113,071	(34,581)	(94,620)	16,942	812
Gains/(losses) on disposal	22,425	(1,338)	(6,383)	-	14,704
Gains/(losses) on revaluation	10,860	1,749	11,696	82,908	107,213
At 31 December 2005	410,989	158,047	147,182	726,715	1,442,933

Book and market value of fixed asset investments comprise:

	2005 £	2004 £
Investments – listed:		
General Unrestricted Funds		
Investment assets UK – listed (see below)	410,989	264,633
– Fixed interest debentures and corporate bonds (see below)	158,047	192,217
– UK Unit trusts and authorised investment funds	147,182	236,489
	716,218	693,339
Other Investments:		
General Unrestricted Funds		
4,735 (2004: 4,735) Representative Body Common		
Investment Fund Units	34,353	30,460
Brewin Dolphin Securities Deposit Account	33,166	16,225
General Unrestricted Funds	67,519	46,685
Legacy and Benefactions Account and Trust Funds		
- Restricted Capital, Endowment Funds		
Held by Swansea and Brecon Diocesan Trust	373,612	334,651
Held by the Representative Body	276,352	236,297
Held by the Board of Finance	9,232	9,232
Restricted Capital, Endowment Funds	659,196	580,180
Total Other Investments	726,715	626,865
Total Investments	1,442,933	1,320,204

At 31 December 2005 the market value of investment assets - listed includes an amount of £42,490 for UK Government bond investments (2004: £41,814).

At 31 December 2005 the market value of investment assets in fixed interest debentures and corporate bonds includes £158,047 for investments in the UK (2004: £192,217).

Swansea and Brecon Diocesan Board of Finance Limited

7 Debtors due after more than one year

	2005	2004
General Unrestricted Funds	£	£
Representative Body of The Church in Wales loans:		
Parishes	65,479	80,853
Retired clergy housing	596,874	596,939
	662,353	677,792
Diocesan loans to parishes	550	550
	662,903	678,342

8 Debtors due within one year

General Unrestricted Funds	£	£
Parish Share	76,612	61,049
Representative Body of The Church in Wales	1,581	-
Group Insurance Scheme	795	893
Payment in advance	2,798	1,998
Interest on Loans	852	1,262
Parochial Loans	39,094	39,094
Bank interest and Charities Official Investment Fund income	6,916	3,991
Miscellaneous	14,333	15,190
Provision for doubtful debts	(30,000)	(30,000)
	112,981	93,477

Restricted Funds

Parsonage Maintenance Fund (restricted income fund)

Grants and Insurance claims	105,897	67,888
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Legacy and Benefactions Account and Trust Funds

Trust fund income held by Diocesan Trust	6,526	5,860
	112,423	73,748

Debtors due within one year	225,404	167,225
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9 Short term deposits

	£	£
General Unrestricted Funds		
Birmingham MidShires Fixed Rate Selector	500,000	-
CAF Gold Account	234,340	648,333
	734,340	648,333

Swansea and Brecon Diocesan Board of Finance Limited

10 Creditors: amounts falling due within one year

	2005	2004
	£	£
General Unrestricted Funds		
Representative Body of The Church in Wales	-	69
Parish Share contributions received in advance	768	289
Group Insurances received in advance	2,901	2,343
Parish Share Assistance Fund	12,779	10,779
Diocesan Advisory Committee Fund	16,269	16,524
Quinquennial Inspections	8,392	16,206
Church Repair Grants	32,056	25,641
Group Insurance Rebate Fund	25,931	25,920
Essential Repair Fund	38,638	33,638
Clergy School	26,009	21,400
Continuing Ministerial Education Grants	12,066	4,700
Other tax and social security	2,560	2,598
Sundry creditors	84,654	87,606
	263,023	247,713

Restricted Funds

Parsonage Maintenance Fund (restricted income fund)

Sundry creditors	63,485	10,991
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Legacy and Benefactions Account and Trust Funds

Trust income payable	55,433	47,803
	118,918	58,794

Creditors: amounts falling due within one year

381,941 **306,507**

11 Creditors: amounts falling due after more than one year

	£	£
General Unrestricted Funds		
Loans from the Representative Body of The Church in Wales:		
General Loan Fund at 5%	37,490	50,698
Curates Houses Loans at 3.5%	27,989	30,686
Houses for retired clergy:		
Provincial Loan Fund at 6%	116,874	116,939
Equity linked loan - interest free	480,000	480,000
	662,353	678,323

Loans received from the Representative Body of The Church in Wales are granted to Parishes and for Retired clergy housing. These loans are included in debtors falling due after more than one year (see Note 7 on page 17).

Interest at the rates shown above is payable by the recipients of the respective loans, and is paid to the Representative Body of The Church in Wales. There are no specific terms for the repayment after more than one year of the loans due to the Representative Body of The Church in Wales.

Swansea and Brecon Diocesan Board of Finance Limited

12 Accumulated Fund balances

	Accumulated fund balances at 1.1.2005 £	Net incoming resources for the year (see below) £	Gains arising on fixed asset investments (see below) £	Accumulated Fund balances at 31.12.2005 £
General Unrestricted Income Funds				
General Fund Reserve:				
Accumulated fund balance	573,288	-	31,179	604,467
Reserve for surplus arising on the revaluation of fixed asset investments	35,204	-	11,723	46,927
	608,492	-	42,902	651,394
General Fund Reserve for future expenditure increases	561,128	163,979	-	725,107
Total General Unrestricted Income Funds	1,169,620	163,979	42,902	1,376,501
Restricted Funds				
Parsonage Maintenance Fund (restricted income fund)	110,769	(39,664)	-	71,105
Trust Funds	580,180	-	79,016	659,196
Total Funds	1,860,569	124,315	121,918	2,106,802

The net incoming resources for the year as shown in the second column of the above table is stated after recording transfers but before including gains/(losses) arising on fixed asset investments.

The gains/(losses) arising on fixed asset investments include gains/(losses) arising on the revaluation of and on the disposal of fixed asset investments.

General Fund Reserve

The accumulated fund balance at 31 December 2005 on the general unrestricted income funds includes an amount of £46,927 arising from the surplus on the revaluation of certain fixed asset investments over the cost of those investments. Investments included in those funds, where the aggregate valuation at 31 December 2005 is lower than cost, gives an aggregate cumulative deficit of £26,029. This cumulative deficit is already deducted in arriving at the General Fund Reserve accumulated fund balance at 31 December 2005.

Trust Funds

A gain of £79,016 on revaluation of fixed asset investments during the year ended 31 December 2005. This gain reverses deficits which arose in previous periods on the revaluation of investments on the Restricted Capital Endowment Funds. The accumulated fund balance on the Trust Funds amounts to £659,196 at 31 December 2005. This balance is stated after including a cumulative surplus of £85,944 arising from revaluation of fixed asset investments (2004: cumulative surplus of £6,928).

Swansea and Brecon Diocesan Board of Finance Limited

13 Summary of Parsonage Maintenance Fund (restricted income fund) for the year ended 31 December 2005

	2005 £	2004 £
Expenditure		
Maintenance:		
Brecon Parsonages	364,195	109,376
Gower Parsonages	186,445	223,958
Maintenance agreements etc	18,132	20,731
	<hr/> 568,772	<hr/> 354,065
Administration:		
Diocesan Board of Finance	10,560	10,300
Inspector	12,668	12,026
Secretarial salaries	7,048	6,564
Miscellaneous	7,133	6,635
Total expenditure	<hr/> 606,181	<hr/> 389,590
Income		
Contributions from Diocesan Board of Finance General Unrestricted Income Fund (see page 7)	197,839	148,906
Contribution from the Representative Body	105,115	104,247
Insurance claims	2,156	3,231
Parochial contributions	2,924	2,973
Grants	46,313	11,840
Sundry income	-	487
Income from bequests	51	48
Improvement Fund	212,119	122,935
Total income	<hr/> 566,517	<hr/> 394,667
(Deficit)/surplus for the year	<hr/> (39,664)	<hr/> 5,077
Fund balance brought forward at 1 January 2005	110,769	105,692
Fund balance carried forward at 31 December 2005	<hr/> 71,105	<hr/> 110,769