

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 2006**



Swansea and Brecon Diocesan Board of Finance Limited

Annual Report for the year ended 31 December 2006

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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 is governed by its Memorandum and Articles of Association. The company registration number is 924565 and the charity registration number is 249810.

Details of the Board of Trustees, secretary, registered office, registered auditors, principal bankers and stockbrokers are set out below.

Board of Trustees

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 Canon 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

Principal 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

Trustees' report for the year ended 31 December 2006

The Trustees have pleasure in submitting their report, together with the audited financial statements of the company for the year ended 31 December 2006

Legal and administrative details

The legal and administrative details of the company and details of the Trustees 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. The Board was incorporated as a charity limited by guarantee on 13 December 1967. The charity was registered with the Charity Commission on 17 April 1968 and as such is exempt from United Kingdom income and corporation tax.

The Board of Finance does not have any share capital and the Trustees guarantee to contribute to the assets of the company, such amounts as may be required not exceeding £1. The number of guarantors at 31 December 2006 was 9.

The Board of Finance generally meets twice annually, the management of the company being under the direction of a Board of Trustees 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.

The day to day management of the company has been delegated to the Executive Committee, whose members are the trustees of the charity and the directors of the company for the purposes of company law.

Principal activities and review of activities for the year

The principal role of the Board is to support the ministry and mission of the Church in Wales and particularly in the Diocese of Swansea and Brecon as carried out through its Bishop, Clergy and Laity.

The Board's key objectives are

- The management of diocesan funds in the support of clergy, parishes and their communities
- To provide that support through a number of Committees, officers and key personnel
- To provide grants for Diocesan and Worldwide Mission

Swansea and Brecon Diocesan Board of Finance Limited

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

For 2006 the main objectives were

- Financial stability
- To continue to fund the ministry and mission across the Diocese
- Monitor investment performance
- Management of diocesan parsonage property
- Review the formula for allocation of the funds (Parish Share) required from parishes
- To carry out an inspection of church halls over the next two years
- The registration of diocesan church land with the Land Registry
- Appointment of an Audit Committee

Achievements, performance and financial review

Once again your Board of Trustees are able to report a surplus of income over expenditure for the year of £167,507. However this was mainly due to unbudgeted vacancies and stringent budgetary control. The surplus has been added to the reserve for future expenditure, a fund held to ensure that there are no undue fluctuations in the rise in parish share year on year, which for the foreseeable future, has been set at 6%.

The grant received from the Representative Body towards the cost of ministry, known as the Maintenance of Ministry grant, is being phased out over a number of years, with the final grant being paid in 2008. From 2007 onwards your Board will be responsible for further expenditure previously undertaken by the Representative Body, who will fund a block grant to Dioceses. The block grant for the years 2007 and 2008 is based on the expenditure patterns for the year 2002, and falls short of the additional expenditure. From 2009 the distribution of the block grant to dioceses has been agreed on a formula based on the actual and targeted number of clergy, and this will give a more equitable level of grant in the short term. The long term availability of the grant is uncertain. As a result of these changes, a reduction in the number of stipendiary clergy is necessary as are new patterns of ministry.

The Representative Body has agreed from 2012 to fund clergy pensions based on 450 in the Province, and any diocese having more than the assigned number of clergy (for Swansea and Brecon this is 58) will have to make considerable additional contributions to the pension fund.

The performance of our investments has improved over the past year with a repositioning of the equity content being a major factor.

At present the Board holds reserves amounting to approximately 8 months expenditure. After taking on the additional expenditure under the new Block Grant system this level is likely to fall to approximately 6 months reserves. The Board believes this level is sustainable but would not wish to fall below it in future.

The Board is ever mindful of the increasing financial demands on Parishes, and the dilemma in funding the number of stipendiary clergy desired by parishes with their ability to raise the funds required. With the changes in parish groupings and patterns of ministry an increasing number of anomalies were becoming apparent in the existing method of apportioning the Parish Share, and a working group was set up to find a simpler and more equitable system. The working group reported to the Board in June and at the September meeting a new formula was agreed based on two factors, the number of regular worshippers and an incumbency's ability to contribute. A presentation of the new system was made at Diocesan Conference in October and to deaneries in January 2007. Subject to a pilot in 2007 it is proposed that the new formula will be introduced over a number of years, starting in 2008.

Swansea and Brecon Diocesan Board of Finance Limited

Achievements, performance and financial review (continued)

To ensure that the Board is complying with all aspects of the law, relevant regulations and good practice an Audit Committee was appointed in 2006. Their first task has been to advise the Board on the 2006 external audit procedures, and this will be followed by a planned programme of checks on the Board's management systems.

To assist parishes in complying with all aspects of the law the Board funds a network of support and advice delivered through a number of committees and officers. The Board has initiated the inspection of halls, which will be completed during 2007. Registration of diocesan church property with the Land Registry continues, and the Board are grateful to the Diocesan Registrar for his assistance with this.

The Parsonage Board continues with its planned programme of maintenance and improvement of clergy housing, with improvements being funded from sale of surplus houses and plots in over large gardens. However the number of properties available to sell is diminishing and when these are exhausted improvement works will have to be funded by the Board.

The Trustees are of the opinion that the results for the year are satisfactory and that the financial position of the charity remains sound.

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	-	61,133	61,133
General Fund Reserve for future expenditure increases	166,486	-	166,486
	166,486	61,133	227,619

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)	1,021	-	1,021
Legacy and Benefactions Account and Trust Funds (restricted capital, endowment funds)	-	54,783	54,783
	1,021	54,783	55,804

Swansea and Brecon Diocesan Board of Finance Limited

Plans for the future

- Financial stability
- To continue to fund the ministry and mission across the Diocese
- Closely monitor investment performance
- Management of diocesan parsonage property
- The management of the transfer of additional financial responsibility from the Representative Body of the Church in Wales to the Diocese together with the Block Grant Funding Arrangements
- Introduction of the New System for the Allocation of the Parish Share to Incumbencies
- To complete the programme of inspection of church halls
- Preparation for the changes in charity law involving the registration of the larger parishes
- To continue the programme of registration of diocesan church land with the Land Registry

Structure, Governance and Management

Membership - Composition

Members are appointed for a three-year term, and there are four categories of membership

- ex officio members, which include the Bishop of the Diocese, senior clergy and Diocesan officers,
- up to ten members *nominated by the Bishop*,
- up to ten members co-opted by the Board of Finance,
- elected members – one cleric and two lay members elected by each Area Deanery Conference

Committees

The Constitution of the Church in Wales states that there shall be established in each Diocese a Parsonage Board and a Churches and Pastoral Committee. In addition the Board of Finance has established 5 other committees – Executive Committee, Audit Committee, Assistance Sub-Committee, Staffing Sub-Committee, Widows, Orphans and Dependants Committee. Members of committees are appointed for a three-year term, except for the Executive Committee whose members are appointed annually.

Parsonage Board

The Parsonage Board has responsibility for the management of diocesan parsonages, their upkeep and repair, and for buying and selling houses as appropriate. The aim of the Parsonage Board is to provide adequate and comfortable accommodation for clerics in the Diocese.

Churches and Pastoral Committee

The Committee is responsible for

- Keeping church buildings under review in relation to pastoral need and to advise the Bishop and Diocesan Conference accordingly
- Advising on grants and loans for maintaining church property and administering the Diocesan Churches Grant Fund
- The administration of the scheme for inspection of churches and halls
- Overseeing the process required for declaring a church redundant

Executive Committee

The day to day management of the company has been delegated to the Executive Committee, whose members are the Trustees of the charity and the directors of the company.

Audit Committee

The Committee takes delegated responsibility on behalf of the Board for ensuring that there is a framework for accountability, for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management, and for ensuring the Board is complying with all aspects of the law, relevant regulations and good practice.

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Assistance Committee

A fund is reserved to assist those Parishes who are facing financial difficulties. Application can be made for help with paying the parish share and/or church insurance premiums.

Staffing Committee

The Staffing Committee is responsible for advising the Board on developing policies and procedures for lay staff in line with legislation and good practice. This includes advising on the level of salaries and pension provision.

Widows, Orphans and Dependants Committee

The Widows, Orphans and Dependants Committee is funded by personal donations from those, who in gratitude for the dedicated service given by clerics, wish to make sure that no clergy widow or dependant should find themselves in financial need. The Committee is also able to offer assistance in particular circumstances, and it is its sincere desire that no clergy widow should find themselves in any situation of financial need.

Diocesan Board of Finance membership at 31 December 2006

President: The Rt Revd The Bishop of Swansea and Brecon

Life Hon Vice President: B W Lillyman

Chairman: W N H Legge-Bourke

Vice-Chairman: G Lewis

Members ex officio:

The Rt Revd The Bishop of Swansea and Brecon

The Very Revd The Dean of Brecon

The Ven Archdeacon of Gower

The Ven Archdeacon of Brecon

The Chancellor of The Diocese

The Diocesan Registrar

The Secretary, Diocesan Council for Mission

The Secretary, Widows', Orphans', and Dependants' Committee

The Clerical Secretary of Diocesan Conference

The Lay Secretary of Diocesan Conference

The Secretary of the Council for Education

The Secretary of the Diocesan Trust

The Secretary of the Parsonage Board

The Area Deans

Nominated by the Bishop:

Miss J Davies, H R J Davies, R A Goodwin, W N H Legge-Bourke

Co-opted by The Board.

Mrs G Knight, D A Morris, C Rees, R J Wigley, The Revd Canon P J Williams

Elected Members:

BRECON	The Revd J H Scott, E S Morris, A J Moreton
BUILT	The Revd C M Haynes, N O Tyler, R Gibson-Watt
CRICKHOWELL	The Revd B Letson, A R Brook, Mrs L J Daniel
HAY	The Revd I P Charlesworth, Lt Col D P Garnons-Williams, Mr P Lloyd
MAELIENYDD	Mrs D Rudge
CLYNE	The Revd T J Williams, W E Roberts, K Lewis
CWMTAWE	The Revd G Green, A J Usher, G Lewis
GOWER	Mrs M P Frederickson, N E King
LLWCHWR	The Revd F A Bayes, Mrs H Culliford
PENDER	G Williams, L F Shapton
SWANSEA	The Revd A J M Meredith, R J Nedin, D E Price

Secretary: Mrs H Price

Swansea and Brecon Diocesan Board of Finance Limited

Committee membership at 31 December 2006

(* denotes non-Board members)

Executive Committee

Chairman: W N H Legge-Bourke
Vice-Chairman: G Lewis
Members: The Rt Revd The Bishop of Swansea and Brecon, The Ven Archdeacon of Brecon, The Ven Archdeacon of Gower, The Very Revd The Dean of Brecon, The Revd Canon P J Williams, W N H Legge-Bourke, G Lewis, D A Morris and C Rees
Consultant: T J P Davenport
Secretary: Mrs H Price

Parsonage Board

Chairman: C Rees
Vice-Chairman: The Ven Archdeacon of Brecon
Members: The Rt Revd The Bishop of Swansea and Brecon, The Ven Archdeacon of Brecon, The Ven Archdeacon of Gower, The Very Revd The Dean of Brecon, The Revd P Brooks*, The Revd G M Turner*, The Revd T J Williams*, M Angling*, Mrs B Edwards*, Mrs D M J James*, W N H Legge-Bourke, C Rees, C Thomas* and R S Williams*
Inspector: G W Rogers
Consultant: R Cowley
Secretary: Mrs H Price

Churches and Pastoral Committee

Chairman: The Ven Archdeacon of Brecon
Members: The Ven Archdeacon of Brecon, The Ven Archdeacon of Gower, The Very Revd The Dean of Brecon, F G Davies*, The Revd N P Doyle*, The Revd R T Edwards, The Revd Canon J W Griffin*, G Lewis, D J North* and R S Williams*
Secretary: Mrs H Price

Audit Committee

Chairman: R A Goodwin
Members: D P L Davies*, R A Goodwin, Dr G Todd*, A J Usher and R J Wigley

Assistance Committee

Chairman: W N H Legge-Bourke
Members: The Rt Revd The Bishop of Swansea and Brecon, The Ven Archdeacon of Brecon, The Ven Archdeacon of Gower, W N H Legge-Bourke, P W Jenkins* and J A Stoker*
Secretary: Mrs H Price

Staffing Committee

Chairman: W N H Legge-Bourke
Members: The Rt Revd The Bishop of Swansea and Brecon, The Ven Archdeacon of Brecon, The Ven Archdeacon of Gower, T J P Davenport, W N H Legge-Bourke, G Lewis and C Rees
Secretary: Mrs H Price

Widows, Orphans and Dependants Committee

Chairman: The Rt Revd The Bishop of Swansea and Brecon
Members: The Rt Revd The Bishop of Swansea and Brecon, The Ven Archdeacon of Brecon, The Ven Archdeacon of Gower, Mrs J Cooper*, P W Jenkins*, Mrs G B Knight and D H G Thomas*
Secretary: Mrs H Price

Swansea and Brecon Diocesan Board of Finance Limited

Method of Appointing Trustees

The Trustees, who are also the members of the Executive Committee, are appointed by the Board of Finance at the Annual General Meeting. All persons appointed as Trustees must be members of the Board, and the number of Trustees must not exceed 15. The Board tries to ensure that those selected have skills and experience appropriate to the needs and responsibilities of the Board.

Induction and Training of Trustees

Induction packs are provided for new Trustees which include Charity Commission guidance on being a Trustee together with appropriate information to convey the objectives and activities of the charity. Trustees are encouraged to attend appropriate training seminars of which details are circulated from time to time.

Policy on risk management

A key element in the care and diligence expected of the Board and therefore one of the main responsibilities of the Trustees 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 Trustees have in place a risk management system to permanently cover significant risks (ensuring suitable assessment of the risks), providing reports to the Trustees as appropriate, in order that the major risks to which the company is exposed (as identified by the Trustees), can be reviewed and procedures established to manage those risks. 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 3 and 4). The Board has set up an Audit Committee to oversee all management systems and to provide reports to the Board.

Policy on reserves

From 2007 the Board will become responsible for approximately a further £750,000 of expenditure previously undertaken by the Representative Body, who will then fund a block grant to Dioceses. There is no certainty that the level of the grant will be maintained in future years. Therefore, the Board aims to hold the level of accumulated unrestricted reserves to at least six months of expenditure.

Policy on 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.

Charitable status

The Board of Finance is a registered charity (number 249810) and as such is exempt from United Kingdom income and corporation tax.

Key performance indicators

The Trustees consider the key financial performance indicators to be the net incoming/(outgoing) resources for the financial year as shown in the Statement of Financial Activities, the level of reserves held by the Board of Finance, and the number of clergy.

Financial risk management

The operations of the Board of Finance may expose it to a variety of financial risks that include the effects of changes in equity prices. The Board would seek to limit any adverse effect on the financial performance of the company by monitoring financial risks.

Swansea and Brecon Diocesan Board of Finance Limited

Price risk

The Board of Finance has exposure to equity price risks as it holds listed or other equity investments. As part of the Board's policy on the management of investments (see page 8) movements in equity prices are subject to monitoring.

Credit risk

Given the nature of its activities, the Board of Finance has limited exposure to credit risks.

Liquidity risk

At the present time a level of bank balances is maintained that are designed to ensure that the Board of Finance has sufficient available funding for its activities.

Financial statements

The company is a registered charity and so achievements cannot be measured by normal commercial criteria. Accordingly, the Trustees 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.

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.

Statement as to disclosure of information to auditors

The Trustees, in their capacity as directors of the charitable company for the purposes of company law, state that as far as each of the Trustees at the time of this report was approved are aware:

- (a) there is no relevant audit information of which the auditors are unaware, and
- (b) the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

Statement of Trustees' responsibilities in respect of the Annual Report and the financial statements

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure for that period. In preparing those financial statements, the Trustees are required to:

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

The Trustees confirm that they have complied with the above requirements in preparing the financial statements.

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Statement of Trustees' responsibilities in respect of the Annual Report and the financial statements (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Authority for issue of financial statements

The Trustees gave authority for the financial statements to be issued on 8 May 2007.
There are no powers to amend the financial statements after issue.

By order of the board

Secretary

H Price

14 May 2007

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 for the year ended 31 December 2006 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 set out therein.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of Swansea and Brecon Diocesan Board of Finance Limited for the purposes of company law) for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the charitable 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 whether, in our opinion, the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

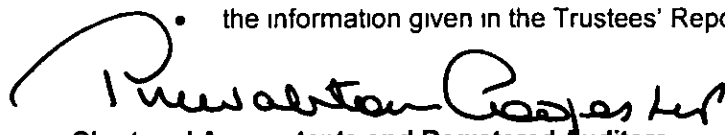
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees 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 as at 31 December 2006 and of its incoming resources and application of resources, including its income and expenditure for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the financial statements.


Chartered Accountants and Registered Auditors
Swansea, 14 May 2007

Swansea and Brecon Diocesan Board of Finance Limited

Statement of Financial Activities for the year ended 31 December 2006

	Notes	Unrestricted Fund	Restricted Income Fund	Restricted Capital, Endowment Funds	Total Funds 2006	Total Funds (as restated) 2005
		2006 £	2006 £	2006 £	£	£
Income Resources						
Income resources from generated funds						
Voluntary Income	4 1	2,170,680	119,523	-	2,290,203	2,319,378
Activities for Generating Funds	4 2	2,780	-	-	2,780	2,404
Investment Income	4 3	69,384	47	22,149	91,580	84,617
Income from Charitable Activities	4 4	46,941	-	-	46,941	46,044
Other Incoming Resources	4 5	-	3,634	-	3,634	2,156
Total incoming resources		2,289,785	123,204	22,149	2,435,138	2,454,599
Resources expended						
Cost of Generating Funds						
Investment Management Costs		470	-	-	470	235
Costs of Charitable Activities						
Support for Ministry	5 1	1,587,661	-	7,464	1,595,125	1,627,270
Support for Parishes	5 2	111,856	-	31	111,887	108,145
Church Property	5 3	62,123	328,681	-	390,804	441,077
Other Financial Support	5 4	122,986	-	14,654	137,640	119,222
Communications	5 5	16,456	-	-	16,456	18,738
Governance Costs	6	15,249	-	-	15,249	15,597
Total resources expended		1,916,801	328,681	22,149	2,267,631	2,330,284
Net incoming/(outgoing) resources before transfers		372,984	(205,477)	-	167,507	124,315
Transfers from unrestricted funds to parsonage Maintenance fund – restricted income fund		(206,498)	206,498	-	-	-
Net incoming resources before revaluations and disposals of fixed asset investments	14	166,486	1,021	-	167,507	124,315
Gains on investments	14	61,133	-	54,783	115,916	121,918
Net movement in funds for the year		227,619	1,021	54,783	283,423	246,233
Total funds brought forward at 1 January		1,376,501	71,105	659,196	2,106,802	1,860,569
Total funds carried forward at 31 December		1,604,120	72,126	713,979	2,390,225	2,106,802

All the company's operations are continuing

The financial statements for the period ended 31 December 2006 have been prepared in accordance with Statement of Recommended Practice ("SORP"), "Accounting and Reporting by Charities" published in March 2005. Comparative figures have been restated where appropriate. Restatement of comparative figures has not affected the amount of the net incoming resources as previously reported in the Statement of Financial Activities for the 2005 financial year.

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 13. 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 13.

The Restricted Capital Endowment Funds include the company's Legacy and Benefactions Account. The net movements on the Restricted Capital, Endowment Funds for the year ended 31 December 2006 comprise only gains on revaluation of fixed asset investments. Further details are given on page 25.

There are no recognised gains and losses for the year ended 31 December 2006 or for the previous year other than those included above, (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.

Detailed analyses of incoming and outgoing resources are given in the financial statements. The notes on pages 15 to 26 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 2006

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

	Total Funds 2006 £	Total Funds (as restated) 2005 £
Continuing operations		
<i>Incoming Resources from generated funds</i>		
Voluntary Income	2,290,203	2,319,378
Activities for Generating Funds	2,780	2,404
Investment Income	69,431	65,731
Income from Charitable Activities	46,941	46,044
Other Incoming Resources	3,634	2,156
	2,412,989	2,435,713
Resources Expended		
<i>Cost of Generating Funds</i>		
Investment Management Costs	470	235
<i>Costs of Charitable Activities</i>		
Support for Ministry	1,587,661	1,621,804
Support for Parishes	111,856	108,112
Church Property	390,804	441,077
Other Financial Support	122,986	105,835
Communication	16,456	18,738
	15,249	15,597
<i>Governance Costs</i>	2,245,482	2,311,398
Net income for the year before gains/(losses) on fixed asset investments	167,507	124,315
Profits arising on fixed asset investments	21,530	31,179
Net income for the year	189,037	155,494

The financial statements for the period ended 31 December 2006 have been prepared in accordance with Statement of Recommended Practice ("SORP"), "Accounting and Reporting by Charities" published in March 2005. Comparative figures have been restated where appropriate. Restatement of comparative figures has not affected the amount of the net income as previously reported in the Statement of Financial Activities for the 2005 financial year.

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 2006 and for the previous year, is equivalent to the figures set out above.

The net income for the year and previous year before gains/(losses) on fixed asset investments is equivalent to the total of net incoming resources shown in the Statement of Financial Activities on page 12, before revaluations and disposals of fixed asset investments.

Swansea and Brecon Diocesan Board of Finance Limited

Balance sheet at 31 December 2006

	Notes	2006 £	2005 £
Fixed assets			
Investments	8	1,559,088	1,442,933
Current assets			
Debtors due after more than one year	9	647,058	662,903
Debtors due within one year	10	149,185	225,404
Short term deposits	11	960,788	734,340
Bank and cash balances		80,483	85,516
		1,837,514	1,708,163
Creditors amounts falling due within one year	12	(356,655)	(381,941)
Net current assets		1,480,859	1,326,222
Total assets less current liabilities		3,039,947	2,769,155
 Creditors: amounts falling due after more than one year	 13	 (649,722)	 (662,353)
Net assets		2,390,225	2,106,802
 Funds			
Unrestricted income funds	14	1,604,120	1,376,501
Restricted funds			
Parsonage Maintenance Fund (restricted income fund)	14	72,126	71,105
Legacy and Benefactions Account and Trust Funds	14	713,979	659,196
		786,105	730,301
Total funds		2,390,225	2,106,802

The financial statements on pages 12 to 26 were approved by the Board of Trustees on
8 May 2007 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 2006

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 March 2005 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 page 12.

Fixed asset investments

Fixed asset investments, (including those investments held in the Restricted Capital, Endowment Funds), are stated at market value or at the Trustees' 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 when receipt is certain. Bequests in the form of investments are included at their estimated value at the time of recognition.

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.

Resources expended

All expenditure is accounted for on an accruals basis. Other than for support costs which are specific to the activities shown, the support costs, including salaries and related costs are allocated to activity headings based on time spent. Governance costs are those incurred in connection with administration relating to compliance with constitutional and statutory requirements of the company.

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

	Total Funds 2006 £	Total Funds (as restated) 2005 £
4.1 Voluntary income		
<i>Parish Share assessed by the DBF</i>	1,874,228	1,768,139
<i>Contributions from the Representative Body</i>		
Maintenance of Ministry Fund	255,572	346,357
Maintenance of Parsonages (restricted fund – see note 15)	108,639	105,115
Council Tax	17,396	21,848
Diocesan Advisory Committee	8,333	8,333
<i>Grants received:</i>		
Parsonage Repair Grants (restricted fund – see note 15)	10,884	49,237
Diocesan Trust – for Statutory Education	500	500
Allchurches Trust	13,000	18,670
<i>Widows, Orphans and Dependants</i>	1,651	1,157
<i>Miscellaneous</i>	-	22
	2,290,203	2,319,378

Of the above amounts, contributions from the Representative Body in relation to maintenance of parsonages of £108,639 (2005 £105,115) and grants received for parsonage repair grants of £10,884 (2005 £49,237) relate solely to the restricted income funds.

All other items of voluntary income are credited to unrestricted funds.

	Total Funds 2006 £	Total Funds (as restated) 2005 £
4.2 Activities for Generating Funds		
<i>Resource Centres – Room Lettings</i>		
Eastmoor Resource Centre, Swansea	940	1,022
Diocesan Centre, Brecon	1,840	1,382
	2,780	2,404

All incoming resources in relation to activities for generating funds are credited to unrestricted funds.

Swansea and Brecon Diocesan Board of Finance Limited

4 Incoming Resources (continued)

	Total Funds 2006 £	Total Funds (as restated) 2005 £
4 3 Investment income		
<i>Fixed Asset Investments and Banks</i>		
Income from fixed asset investments – listed	32,599	35,578
Income from Representative Body Common Investment		
Fund Units	1,213	1,313
Bank and money market interest	35,558	28,775
Other interest	14	14
<i>Income from Investment of Bequests</i>		
(£47 (2005 £51) restricted fund – see note 15)	22,196	18,937
	91,580	84,617

Incoming resources from investment of bequests amounting to £47 (2005 £51) is credited to the restricted income fund whilst £22,149 (2005 £18,886) of incoming resources from investment of bequests is credited to Restricted Capital Endowment Funds

All other incoming resources in relation to investment income from fixed asset investments and banks are credited to unrestricted funds

	Total Funds 2006 £	Total Funds (as restated) 2005 £
4 4 Incoming Resources from Charitable Activities		
<i>Resources Centres – Reprographics</i>		
Eastmoor Resource Centre, Swansea	29,023	27,923
Diocesan Centre, Brecon	5,626	5,628
<i>Sale of Diocesan Publications</i>	4,466	4,955
<i>Contributions from Diocesan Organisations</i>	7,826	7,538
	46,941	46,044

All incoming resources from charitable activities are credited to unrestricted funds

	Total Funds 2006 £	Total Funds (as restated) 2005 £
4 5 Other income		
<i>Insurance Claims – Parsonages</i> (restricted income fund – see note 15)	3,634	2,156

All incoming resources in relation to insurance claims are credited to the restricted income fund

Swansea and Brecon Diocesan Board of Finance Limited

5 Resources Expended

	Total Funds 2006 £	Total Funds (as restated) 2005 £
5.1 Support for Ministry		
<i>Stipends and Fees.</i>		
Stipends and allowances	1,385,344	1,442,129
Vacancy fees	6,803	3,858
Council Tax	89,224	87,566
Death in service insurance	14,002	13,170
<i>Clergy Expenses</i>		
Director of Ministry expenses	3,669	3,399
Area Deans' expenses	2,083	787
University Chaplain's expenses	4,225	2,335
Removal and disturbance allowances	42,267	13,614
Nomination Board expenses	1,595	1,104
Travel and other expenses	1,811	3,732
<i>Training</i>		
Ordinands	16,803	11,860
Continuing Ministerial Education	6,782	8,468
Clergy School (2006 includes write back of accrual)	(12,276)	5,000
Readers	2,650	2,989
Lay	287	484
<i>Support Costs (see note 5.6)</i>	29,856	26,775
	1,595,125	1,627,270

Of the above costs £7,464 (2005 £5,466) are charged to Restricted Capital Endowment Funds

All other costs are charged to unrestricted funds

	Total Funds 2006	Total Funds (as restated) 2005
5.2 Support for Parishes		
<i>Sector Ministries:</i>		
Rural Life Ministry	619	479
Parish Development	4,333	6,435
Stewardship	814	(404)
Social Responsibility	1,295	727
World Mission	627	338
Ecumenism and Interfaith	-	37
Tourism	485	-
Statutory Education	12,075	10,104
Children's and Youth work	7,846	8,413
<i>Diocesan Expenses</i>		
Child Protection expenses	-	243
Diocesan Archivist	200	200
Welsh Language	1,008	1,000
Eastmoor Centre	32,595	33,944
Diocesan Centre	21,502	20,961
<i>Support Costs (see note 5.6)</i>	28,488	25,668
	111,887	108,145

Of the above costs £31 (2005 £33) is charged to Restricted Capital Endowment Funds

All other costs are charged to unrestricted funds

Swansea and Brecon Diocesan Board of Finance Limited

5 Resources Expended (continued)

	Total Funds	Total Funds (as restated)
	2006	2005
	£	£
5.3 Church Property		
Maintenance of Parsonages (restricted fund see note 15)	285,784	356,653
Property rentals	7,200	7,200
Custodians expenses	3,029	2,732
Inspections of Churches and Halls	33,700	19,250
Diocesan Advisory Committee expenses	8,333	8,333
Churches and Pastoral Committee expenses	137	401
Support Costs (see note 5.6)		
(£42,897 (2005 £37,409) restricted fund – see note 15)	52,621	46,508
	390,804	441,077

Of the above, costs for maintenance of Parsonages of £285,784 (2005 £356,653) and support costs amounting to £42,897 (2005 £37,409) are charged to the restricted income fund

All other costs are charged to unrestricted funds

	Total Funds	Total Funds (as restated)
	2006	2005
	£	£
5.4 Other Financial Support		
Diocesan Bodies		
Bishop's Fund	8,250	8,000
Brecon Cathedral Grants	9,300	9,020
Church Repair Grants	10,000	10,000
Pansh Mission Grants	4,000	4,000
Pansh assistance fund	10,000	10,000
Social Responsibility Grants	47,442	31,829
Widows, Orphans and Dependants Grants	15,175	13,450
Anglican, Ecumenical and other bodies		
World Mission Grants	21,300	21,000
Llangasty Retreat House Grant	5,500	5,500
Other Grants	3,200	3,200
Support Costs (see note 5.6)	3,473	3,223
	137,640	119,222

Of the above costs £14,654 (2005 £13,387) are charged to restricted funds

All other costs are charged to unrestricted funds

	Total Funds	Total Funds (as restated)
	2006	2005
5.5 Communications		
Communications and Media	5,417	4,337
Newsletters and Diocesan Publications	5,305	9,202
Support Costs (see note 5.6)	5,734	5,199
	16,456	18,738

All of the above costs are charged to unrestricted funds

Swansea and Brecon Diocesan Board of Finance Limited

5 Resources Expended (continued)

	Total Funds 2006 £	Total Funds (as restated) 2005 £
5.6 Support Costs – Management and Administration		
Salaries including pensions and pension scheme (see note 7 1)	84,501	79,175
HR Consultancy	1,812	-
Diocesan Inspector	17,378	12,669
Staff expenses	1,493	1,147
Office expenses	21,948	20,726
Parsonage Board		
Administrative expenses	1,603	1,573
	128,735	115,290

Total support costs are charged to the Statement of Financial Activities as follows

	Total Funds 2006 £	Total Funds (as restated) 2005 £
Support for Ministry	29,856	26,775
Support for Parishes	28,488	25,668
Church Property	52,621	46,508
Other Financial Support	3,473	3,223
Communication	5,734	5,199
Governance Costs	8,563	7,917
	128,735	115,290

Other than for support costs which are specific to the activities shown the support costs, including salaries and related costs are allocated to activity headings based on time spent. Support costs of £42,897 (2005 £37,409) relating to Church Property are charged to the restricted income fund

6 Governance costs

	Total Funds 2006 £	Total Funds (as restated) 2005 £
Staff and administrative costs	8,563	7,917
Company expenses	1,868	3,672
Auditors' remuneration for audit	3,848	3,144
Diocesan conference and standing committee	970	864
	15,249	15,597

All of the above governance costs are charged to unrestricted funds

Swansea and Brecon Diocesan Board of Finance Limited

7 Resources Expended

	Total Funds 2006 £	Total Funds (as restated) 2005 £
7.1 Salaries including pensions and pension scheme contributions		
Salaries	112,182	106,453
Social security costs	7,896	7,593
	120,078	114,046
Pensions	2,039	1,977
Pension scheme contributions	10,552	6,615
	132,669	122,638

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

	Total Funds 2006 £	Total Funds (as restated) 2005 £
Support costs (see note 5.6)	84,501	79,175
Support for Parishes		
Diocesan Officers	12,524	9,453
Resource Centre Managers	26,098	25,270
Diocesan Archivist and Diocesan Webmaster	700	700
Church property		
DAC Secretary	8,846	8,040
	132,669	122,638

No remuneration was paid to Trustees for the year ended 31 December 2006 or for the previous year. For the year ended 31 December 2006 two Trustees were reimbursed travelling expenses which amounted to £748 (2005 £722).

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 2006 or for the previous year.

The average weekly number of persons employed during the year was 6 (2005 6).

Swansea and Brecon Diocesan Board of Finance Limited

8 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 2006	410,989	158,047	147,182	726,715	1,442,933
Additions less disposals	16,790	(12,307)	7,291	(11,535)	239
Gains/(losses) on disposal	30,036	(1,311)	-	-	28,725
Gains/(losses) on revaluation	36,310	(2,576)	(4,352)	57,809	87,191
At 31 December 2006	494,125	141,853	150,121	772,989	1,559,088

Book and market value of fixed asset investments comprise

	2006 £	2005 £
Investments – listed		
General Unrestricted Funds		
Investment assets UK – listed (see below)	494,125	410,989
Fixed interest debentures and corporate bonds (see below)	141,853	158,047
UK unit trusts and authorised investment funds	150,121	147,182
	786,099	716,218
Other Investments		
General Unrestricted Funds		
4,735 (2005 4,735) Representative Body Common		
Investment Fund Units	37,378	34,353
Brewin Dolphin Securities Deposit Account	21,632	33,166
General Unrestricted Funds	59,010	67,519
Restricted Capital, Endowment Funds -		
Legacy and Benefactions Account and Trust Funds		
Held by Swansea and Brecon Diocesan Trust	416,664	373,612
Held by the Representative Body	288,083	276,352
Held by the Board of Finance	9,232	9,232
Restricted Capital, Endowment Funds	713,979	659,196
Total Other Investments	772,989	726,715
Total Investments	1,559,088	1,442,933

At 31 December 2006 the market value of investment assets - listed includes an amount of £20,338 for UK Government bond investments (2005 £42,490)

At 31 December 2006 the market value of investment assets in fixed interest debentures and corporate bonds includes £141,853 for investments in the UK (2005 £158,047)

Swansea and Brecon Diocesan Board of Finance Limited

8 Fixed asset investments (continued)

Restricted Capital, Endowment Funds include investments held by Swansea and Brecon Diocesan Trust and by the Representative Body of the Church in Wales. Of the aggregate investments held by Swansea and Brecon Diocesan Trust units are allocated as being held on behalf of the Board of Finance. The carrying value of investments shown under this heading on page 22 represents this allocation. Units held at 31 December 2006 are 337,333 (2005 337,333)

Investments held by the Representative Body on behalf of the Board of Finance are in respect of Legacies and Trust Funds. These investments are held as a number of units in Representative Body funds. The aggregate number of units held in respect of Legacies and Trust Funds at 31 December 2006 is 38,934 (2005 38,934)

The carrying value of investments held in the Restricted Capital Endowment Funds is stated in accordance with the accounting policy on page 15 of these financial statements

9 Debtors due after more than one year

	2006	2005
	£	£
General Unrestricted Funds		
Representative Body of The Church in Wales loans		
Panshes	86,703	65,479
Retired clergy housing	559,805	596,874
	646,508	662,353
Diocesan loans to parishes	550	550
	647,058	662,903

10 Debtors due within one year

	2006	2005
	£	£
General Unrestricted Funds		
Pansh Share	69,400	76,612
Representative Body of The Church in Wales	-	1,581
Group Insurance Scheme	2,367	795
Payment in advance	2,291	2,798
Interest on Loans	1,716	852
Parochial Loans	39,094	39,094
Bank interest and Charities Official Investment Fund income	8,030	6,916
Miscellaneous	11,839	14,333
Provision for doubtful debts	(30,000)	(30,000)
	104,737	112,981
Restricted Funds		
Parsonage Maintenance Fund (restricted income fund)		
Grants and Insurance claims	38,056	105,897
Legacy and Benefactions Account and Trust Funds		
Trust fund income held by Diocesan Trust	6,392	6,526
	44,448	112,423
Debtors due within one year	149,185	225,404

Swansea and Brecon Diocesan Board of Finance Limited

11 Short term deposits

	2006 £	2005 £
General Unrestricted Funds		
Birmingham MidShires Fixed Rate Selector	508,374	500,000
CAF Gold Account	452,414	234,340
	960,788	734,340

12 Creditors: amounts falling due within one year

	2006 £	2005 £
General Unrestricted Funds		
Representative Body of The Church in Wales	2,965	-
Parish Share contributions received in advance	1,037	768
Group Insurances received in advance	2,428	2,901
Parish Share Assistance Fund	6,475	12,779
Diocesan Advisory Committee Fund	14,638	16,269
Quinquennial Inspections	27,408	8,392
Church Repair Grants	42,056	32,056
Group Insurance Rebate Fund	25,932	25,931
Essential Repair Fund	37,506	38,638
Clergy School	-	26,009
Continuing Ministerial Education Grants	17,706	12,066
Other tax and social security	2,712	2,560
Sundry creditors	91,705	84,654
	272,568	263,023
Restricted Income Fund - Parsonage Maintenance Fund		
Sundry creditors	24,471	63,485
Legacy and Benefactors Account and Trust Funds		
Trust income payable	59,616	55,433
	84,087	118,918
Creditors' amounts falling due within one year	356,655	381,941

13 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%	65,480	37,490
Curates Houses Loans at 3.5%	24,436	27,989
Houses for retired clergy - Provincial Loan Fund at 6%	109,806	116,874
Houses for retired clergy - Equity linked loan - interest free	450,000	480,000
	649,722	662,353

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 9 on page 23). Interest at the rates shown above is payable by the recipients of the respective loans to the Board of Finance. The Board of Finance pays an equivalent amount of interest 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.

Swansea and Brecon Diocesan Board of Finance Limited

14 Accumulated Fund balances

	Accumulated fund balances at 1 1 2006 £	Net incoming resources for the year (see below) £	Gains/(losses) arising on fixed asset investments (see below) £	Accumulated Fund balances at 31 12 2006 £
General Unrestricted Income Funds				
General Fund Reserve				
Accumulated fund balance	604,467	-	21,530	625,997
Reserve for surplus arising on the revaluation of fixed asset investments	46,927	-	39,603	86,530
	651,394	-	61,133	712,527
General Fund Reserve for future expenditure increases	725,107	166,486	-	891,593
Total General Unrestricted Income Funds	1,376,501	166,486	61,133	1,604,120
Restricted Income Fund – Parsonage				
Maintenance Fund	71,105	1,021	-	72,126
Trust Funds	659,196	-	54,783	713,979
Total Funds	2,106,802	167,507	115,916	2,390,225

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 the aggregate of 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 2006 on the general unrestricted income funds includes an amount of £86,530 arising from the surplus on the revaluation of certain fixed asset investments over the cost of those investments

For certain investments in the unrestricted fund, the aggregate valuation at 31 December 2006 is lower than the cost of the investments. The aggregate cumulative deficit amounts to £33,224. This cumulative deficit has been deducted in arriving at the amount of the accumulated fund balance carried forward on the General Fund Reserve at 31 December 2006.

Trust Funds

A gain of £54,783 on revaluation of fixed asset investments during the year ended 31 December 2006. The accumulated fund balance on the Trust Funds amounts to £713,979 at 31 December 2006. This balance is stated after including a cumulative surplus of £140,727 arising from revaluation of fixed asset investments (2005 cumulative surplus of £85,944).

Swansea and Brecon Diocesan Board of Finance Limited

15 Summary of Parsonage Maintenance Fund (restricted income fund) for the year ended 31 December 2006

	2006 £	2005 (as restated) £
Expenditure		
Maintenance of Parsonages	261,291	338,521
Maintenance agreements etc	24,493	18,132
	285,784	356,653
Administration	42,897	37,409
Total expenditure	328,681	394,062
Income		
Contributions from Diocesan Board of Finance General		
Unrestricted Income Fund (see page 12)	206,498	197,839
Contribution from the Representative Body	108,639	105,115
Insurance claims	3,634	2,156
Parochial contributions	2,944	2,924
Grants	7,940	46,313
Income from Bequests	47	51
Total income	329,702	354,398
Surplus for the year	1,021	(39,664)
Fund balance brought forward at 1 January 2006	71,105	110,769
Fund balance carried forward at 31 December 2006	72,126	71,105

The Parsonages are owned by the Representative Body of the Church in Wales and improvements are funded from the Parsonage Improvement Fund

The total spent on improvements and maintenance is as follows

	2006 £	2005 (as restated) £
Expenditure		
Maintenance costs	285,784	356,653
Improvement costs (borne by the Representative Body)	149,626	212,119
	435,410	568,772
Brecon Parsonages	125,289	364,195
Gower Parsonages	285,628	186,445
Maintenance contracts	24,493	18,132
	435,410	568,772