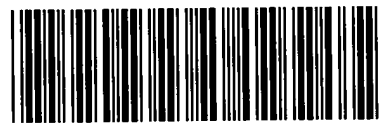


Registered number: 924565  
Registered as a Charity (number: 249810)

**Swansea and Brecon Diocesan  
Board of Finance Limited**

**Annual report  
for the year ended 31 December 2015**

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# **Swansea and Brecon Diocesan Board of Finance Limited**

## **Annual Report for the year ended 31 December 2015**

<b>Contents</b>	<b>Pages</b>
<b>Legal and administrative details</b>	<b>1</b>
<b>Trustees' report</b>	<b>2 - 9</b>
<b>Independent auditors' report</b>	<b>10 - 11</b>
<b>Statement of financial activities</b>	<b>12</b>
<b>Summary income and expenditure account</b>	<b>13</b>
<b>Balance sheet</b>	<b>14</b>
<b>Notes to the financial statements</b>	<b>15 - 29</b>

# **Swansea and Brecon Diocesan Board of Finance Limited**

## **Trustees' report for the year ended 31 December 2015**

### **Legal and administrative details**

The full name of the charity is Swansea and Brecon Diocesan Board of Finance Limited.

The Swansea and Brecon Diocesan Board of Finance (the Company) is a multi-faceted structure. It is:-

- A registered charity (No. 249810)
- A company limited by guarantee (No. 924565)
- A Board of Finance established under the Constitution of the Church in Wales.

Details of the Trustees and directors (Trustees/directors) who served during the year, secretary, registered office, registered auditors, principal bankers and stockbrokers are set out below.

### **Board of Trustees/directors**

The Rt Revd John David Edward Davies (President)  
 Professor Peter Townsend (Chairman)  
 The Ven Robert John Williams  
 The Ven Alan Neil Jevons  
 The Revd Canon Janet Mary Russell  
 The Very Revd Albert Paul Shackerley (appointed 20<sup>th</sup> May 2015))  
 Gillian Brenda Knight, FCA  
 David Peter Lloyd Davies, FCA, DL (resigned 30<sup>th</sup> June 2015)  
 Geoffrey Hardy  
 Gwynfor Lewis, FCA  
 Richard Hugh Tyler  
 Sir Andrew McLeod Brooks Large

### **Consultants**

The Ven Alfred James Randolph Thomas  
 T J P Davenport (Diocesan Registrar)

### **Company Secretary**

Catherine (Kate) Jones

### **Registered Office**

8a High Street, Brecon, LD3 7AL.

### **Independent Auditors**

Price Waterhouse Coopers LLP, Institute of Life Science, Swansea University, Singleton, Swansea, SA2 8PP

### **Principal Bankers**

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

### **Investment Managers**

Brewin Dolphin Ltd, 2nd Floor, 5 Callaghan Square, Cardiff, CF10 5BT.

## Swansea and Brecon Diocesan Board of Finance Limited

### Trustees' report for the year ended 31 December 2015 (Continued)

The Trustee/directors present their report together with the audited financial statements of the Company for the year ended 31 December 2015.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting for Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

#### Legal and administrative details

The Swansea and Brecon Diocesan Board of Finance Limited ("the Company") was set up under the provisions of the Constitution of the Church in Wales, Chapter IV, and Paragraph 16. The Company 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 is exempt from United Kingdom income and corporation tax. The governing document of the Company is the Memorandum and Articles of Association.

The Company meets in general meeting twice annually. The day to day management of the Company is delegated to the Executive Committee, whose members are the Trustees of the charity and Directors of the company for the purpose of company law.

The Company does not have a share capital. The Trustees/directors guarantee to contribute to the assets of the Company, such amount as may be required not exceeding £1 per guarantor. The number of guarantors at 31 December 2015 was 12.

#### Chair's Report

This year has been a challenging one for the Diocesan Board of Finance, in that a number of unforeseen, and therefore unbudgeted items, have had to be accommodated within the finances. In particular, there were an unusually large number of parsonage vacancies resulting in the need for additional funds to refurbish these houses for incoming clerics.

A change in accounting regarding the allocation of share also required a revision in estimate of Parish share debt, resulting in a much larger provision in the accounts.

The commitment to providing for a rebate of Parish Share from the 2014 surplus was also honoured.

Fortunately, those items that have had a negative effect on the Diocese's budget were offset by savings in other budget headings. These include savings in the areas of Stewardship and also Children, Youth and Families where there was much less activity than had been projected at the start of the year. There were also significant savings in office and administration costs.

One area where there was a major underspend against budget was the Mission Fund. This was rather disappointing, as just over £15,000 of the available £105,000 was taken up by grant applications. The rules governing applications to the Fund have been relaxed somewhat, and this will hopefully result in greater activity in 2016.

On the income side of the budget, it was very heartening to see how parishes have worked so hard to meet their Parish Share. Some 97% of Parish Share requested in 2015 was paid, and for that the Board of Finance is extremely grateful.

Overall, the balance sheet, including the restricted income and unrestricted funds, included a small deficit of £1,500.

Other than a dip in the current level of reserves, the Diocesan finances are sound, although projecting forward it is clear that there will be significant challenges in the not too distant future.

**Prof. Peter Townsend**  
Chair



# Swansea and Brecon Diocesan Board of Finance Limited

## Trustees' report for the year ended 31 December 2015 (Continued)

### Our Purposes and Aims

The purposes of the charity are:

- To maintain a sustainably led and transforming Christian ministry across the Diocese.
- To enable all to act justly, to love mercy and to walk humbly with God.

Our activities are inspired by a shared Diocesan Vision to become a **family, rooted in Christ** committed to **transforming lives** by:

**Gathering**, as God's people

**Growing**, more like Jesus

**Going Out**, in the power of the Spirit.

At the heart of our mission-shaped vision is the commitment to see lives transformed; this is therefore the fundamental purpose to which funding is directed.

The Trustees/directors are aware that a diocese succeeds through the mission and ministry of its parishes, its senior clergy and its bishop. Through striving for the highest standards of financial management the Trustees/directors aim to create the conditions in which the mission and ministry of the diocese can flourish and be maximised.

### Objectives and Activities for the Public Benefit

In shaping the objectives for the year and planning our activities, the Trustees/directors have considered the Charity Commission guidance on public benefit.

The Trustees/directors acknowledge the Charity Commission's guidance set out in *The Advancement of Religion for the Public Benefit* and have had regard to it in the administration of the Company. The Trustees refer to the guidance in the Charity Commission general guidance on public benefit when reviewing the aims and objectives of the Charity and planning future activities.

The Trustees/directors believe that by promoting, facilitating and supporting the work of the Church in Wales in the Diocese of Swansea and Brecon, it helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the Diocese as a whole and in its individual parishes, and that by doing so it provides a benefit to the public by:

- Promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole; and
- Providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers.

# Swansea and Brecon Diocesan Board of Finance Limited

## Trustees' report for the year ended 31 December 2015 (Continued)

### Review of Achievements and Performance

The Trustees/directors interpret their role broadly, contributing to the strategic leadership of the Diocese, balancing careful stewardship with a flexible and proactive approach.

The Board's main activities are:

- The management of diocesan funds in the support of clergy, parishes and their communities
- Securing and providing the finance for the development and implementation of the Diocesan Vision to encourage mission and church growth strategies
  - Contributing to the national work of the Church in Wales
  - Securing funds in support of wider Diocesan and Worldwide Mission
  - For 2015, the main objectives were:
    - To sustain Diocesan ministry by maintaining financial stability
    - To support the transition to Ministry Areas
    - Training and Support of Ordained and Lay Ministries
    - To provide support and advice for Parishes in all aspects of their activities, specifically in their preparation for Ministry Areas.
    - To continue to support a Diocesan Mission fund to provide funding for mission projects which aim to reflect the Diocesan Vision.



### Monitoring Achievements

***Sustaining Diocesan ministry by maintaining financial stability:*** The trustees/directors continue to closely monitor income and expenditure levels and maintain a balanced budget and this is evidenced in the accounts. They remain particularly mindful of the difficulties faced by Parishes in uncertain economic times. The provision of an incentive rebate has been encouraging to many parishes in meeting their parish share allocation.

***Supporting the transition to Ministry Areas:*** The trustees/directors have supported the Diocesan consultation process with Parishes as they move towards Ministry Areas and have provided financial support for collaborative working, including grants for training, events and resources as well as the allocation of key personnel to support the process.

***Training and support of ordained and lay ministries:*** The trustees/directors are pleased to be able to continue to support and train candidates for both stipendiary and non-stipendiary ministry and have made a funding commitment to St Padarn's, the new theological training institute in Wales. A comprehensive programme of training is offered to a range of lay ministries, both practical and academic, the latter providing an optional certification route.

## Swansea and Brecon Diocesan Board of Finance Limited

### Trustees' report for the year ended 31 December 2015 (Continued)

During 2015, our lay training programme supported:

- 25 individuals trained and licensed as Lay Pastoral Visitors
- 24 individuals trained and licensed as Lay Worship Leaders
- 20 individuals trained and licensed as Eucharistic Assistants
- 2 individuals trained and licensed as Lay Readers
- 2 individuals in training for Lay Readership.

The Diocese also successfully developed and outsourced a bespoke leadership training programme for those designated as Ministry Area Leaders.

***To provide advice and support for parishes in all aspects of their activities, specifically in their preparation for Ministry Areas:*** The trustees/directors continue to endorse the ongoing provision of practical and financial support to the Parishes across the Diocese through the provision of advice and support in managing and maintaining buildings, access to grant funding and the availability of a network of support staff in key areas.

***To continue to support a Diocesan Mission Fund to provide funding for projects which aim to reflect the Diocesan Vision:*** The trustees/directors again budgeted a significant amount of money to making grants in support of Mission projects and have taken steps to simplify the application process, introducing a new tiered programme of grant availability. It is regrettable that the Fund was undersubscribed this year.

#### Financial Review

The financial out-turn for 2015 shows a small deficit in Unrestricted Funds following the decision to provide £250,000 of additional funding to the Parsonage Board during the year as a result of an unprecedented number of property turnovers and the resulting requisite repairs. Offsetting this, in part, were gains of £72,130 made on the sale of investments.

Before this additional funding was agreed, there was a surplus on Unrestricted Funds of £211,889 that arose principally through lower demand on the amount budgeted for the Mission Fund and a better than anticipated collection of Parish Share following the introduction of an incentivised rebate scheme for 2015 share allocation, funded by the 2014 reported surplus.

In order to facilitate this scheme, it was necessary to adjust the method of allocation for share payments. Previously, monies received had been allocated against the oldest debt, but payments were now allocated against current year share. As a result of this, despite the overall increase in the share payments received, it has been necessary to increase the provision for doubtful debt for this aged debt. This represents a revision in the estimate of doubtful debt.

Further, there was a small reduction in the number of stipendiary clerical posts in the latter part of the year, a trend that is expected to continue in 2016.

The Restricted Income Fund relates to the activities of the Parsonage Board and the balance of £160,188 is as a result of the agreement of the Executive Committee to fund long-term renovation works in designated key properties that have been vacant due to clerical turnover.

Notwithstanding the realised gains represented in the accounts also show unrealised losses on investments during the year of £71,763. Given the current volatility of the market, the Trustees/directors are satisfied that investments continue to be managed prudently.

Overall, the financial position of the Diocese at 31<sup>st</sup> December 2015 is considered to be satisfactory.

# Swansea and Brecon Diocesan Board of Finance Limited

## Trustees' report for the year ended 31 December 2015 (Continued)

### Investment Policy and Performance

The Executive Committee, whilst retaining overall responsibility for the company's investments, has devolved the management of the investments to the Investment Sub-Committee in conjunction with the Company's appointed Investment Managers, Brewin Dolphin Limited.

The Executive Committee has stipulated that investments are limited to medium risk assets, within parameters set by the Investment Sub-Committee, whilst generating a target level of current income. The investments are made in full accordance with the Ethical Investment Policy adopted by the Church in Wales.

### Risk Management

The Executive Committee has in place a risk management system to identify and assess significant risks and to put in place appropriate mitigating procedures. The Diocesan Audit Committee is charged with reviewing the effectiveness and robustness of these systems and reporting thereon to the Executive Committee. Apart from the impact of general economic conditions the principal risk to which the Company is exposed is the effect of changes in equity prices and interest rates.

The Executive Committee seeks to mitigate these risks by close monitoring of investment performance. Liquidity risk is mitigated through the maintenance of appropriate levels of bank and short term deposits.

The risk of any non-collection of Parish Share is regularly considered by the Executive Committee, and is included on the risk register. A provision for doubtful debts has been made and is included in the accounts.

### Reserves Policy

The Representative Body funds a block grant to the Diocese, which in 2015 was £881,584, some 25% of income. It has been confirmed that this level of grant support will be continued for a further 3 years but there is no certainty that the level of this grant will be maintained in any following years. Therefore, the Executive Committee seeks to maintain a reasonable level of reserves.

The Reserves Policy states that funds equivalent to 9 months of operating expenditure should be held in reserve.

At 31 December 2015 the balance held in unrestricted funds was £3,142,632, which includes unrealised losses on the value of investments amounting to £71,763; this figure represents the equivalent of eight and a half month's expenditure against the 2015 budget. Whilst the current level of reserves is considered appropriate, it is noted that additional funds need to be added to reserves in order to meet the stated reserves policy and account for inflation.

### Plans for the Future

For 2016, the main objectives are:

- To sustain Diocesan ministry by maintaining financial stability
- To actively support the transition to Ministry Areas
- To provide a programme of training and support of Ordained and Lay Ministries
- To provide support and advice for Parishes in all aspects of their activities, specifically in their preparation for, and transition to, Ministry Areas.
- To continue to support a Diocesan Mission fund to provide funding for mission projects which aim to reflect the Diocesan Vision



# **Swansea and Brecon Diocesan Board of Finance Limited**

## **Trustees' report for the year ended 31 December 2015 (Continued)**

### **Structure, Governance and Management**

#### **Membership – Composition**

Members of the Company 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 Company – —
- elected members - one cleric and two lay members elected by each Area Deanery Conference

#### **Executive Committee**

The day-to-day management of the Company has been delegated to the Executive Committee. The Executive Committee shall not exceed fifteen members. Every effort is made to ensure that those elected to serve have skills and experience appropriate to the needs and responsibilities of the Committee.

#### **Other 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. The Executive Committee has established principal sub-committees, including the Assistance Committee, Investment Committee, Budget Committee, Staffing Committee, and a Widows, Orphans and Dependants Committee. Members of committees are appointed for a three-year term.

#### **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

#### **Assistance Committee**

A fund is set aside 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.

#### **Investment Committee**

The Committee is responsible for setting and reviewing the strategy for the Board's investments, and for monitoring the performance of the Board's portfolio. The Committee acts for the Diocesan Trust and the Cathedral Choir Endowment as well as the Diocesan Board of Finance.

# Swansea and Brecon Diocesan Board of Finance Limited

## Trustees' report for the year ended 31 December 2015 (Continued)

### Budget Committee

The Budget Committee is responsible for reviewing departmental budget submissions and putting forward any budgetary recommendations to the DBF Executive.

### 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 a sincere wish that no clergy widow should find themselves in any situation of financial need.

### Induction and Training of Trustees

Induction is currently provided for new Trustees on an informal basis. Information and guidance on the responsibilities of being a Trustee is provided together with the appropriate information to convey the structure, objectives and activities of the charity. Trustees are also encouraged to attend appropriate training seminars of which details are circulated from time to time. It is recognised that a more formal arrangement would be appropriate and beneficial going forward.

### Key performance indicators

The Trustees/directors consider the key performance indicators to be the parish share collection, net incoming/(outgoing) resources for the financial year, the level of unrestricted reserves held, and the number of clergy in post within the Diocese:

	2015	2014
Parish share – collection performance (receipts are now firstly offset against current debt)	86.4%	85.9%
Net incoming resources for the year on unrestricted funds before revaluation of investments and transfers to designated funds	£34,019	£231,089
Level of unrestricted reserves held, excluding unrealised investment gains	£2,687,435	£2,653,415
<b>Clergy positions:</b>		
Stipendiary	59	62
Non-stipendiary	12	9
House for duty	2	-

## **Swansea and Brecon Diocesan Board of Finance Limited**

### **Trustees' report for the year ended 31 December 2015 (Continued)**

#### **Financial statements**

The Company is a registered charity and so achievements cannot be measured by normal commercial criteria. Accordingly, the Trustees/directors consider it inappropriate to present a Profit and Loss Account in one of the formats set out in the Companies Act 2006. 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.

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

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK 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 charitable company will continue in business.

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

In so far as we are aware:

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

**By order of the Board of Trustees**



**Catherine Jones**  
**Company Secretary**

# Swansea and Brecon Diocesan Board of Finance Limited

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

### Report on the financial statements

#### Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2015 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

#### What we have audited

The financial statements, which are prepared by Swansea and Brecon Diocesan Board of Finance Limited, comprise:

- the balance sheet as at 31 December 2015;
- the statement of financial activities and the summary income and expenditure account for the year then ended;
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Swansea and Brecon Diocesan Board of Finance Limited

### Independent auditors' report to the Members of Swansea and Brecon Diocesan Board of Finance Limited (continued)

#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### Other matters on which we are required to report by exception

##### Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

##### Trustees' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

##### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

#### Responsibilities for the financial statements and the audit

##### Our responsibilities and those of the trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume 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.

*Ian Clarke*

Ian Clarke (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Swansea, 26 July 2016

# Swansea and Brecon Diocesan Board of Finance Limited

## Statement of Financial Activities for the year ended 31 December 2015

	Notes	Unrestricted Funds	Unrestricted Designated Repair Fund	Restricted Ministry Area Transition Fund	Restricted Income Fund 2015	Restricted Capital Endowment Funds 2015	Total Funds 2015	Total Funds 2014
		£	£	£	£	£	£	£
<b>Income from:</b>								
Donations and legacies	5.1	3,452,189	-	166,667	18,020	-	3,636,876	3,484,852
Charitable activities	5.2	27,036	-	-	18,438	-	45,474	43,732
Investments	5.3	91,371	-	-	21	19,853	111,245	113,132
Other	5.4	-	-	-	10,880	-	10,880	5,111
<b>Total income</b>		<b>3,570,596</b>	<b>-</b>	<b>166,667</b>	<b>47,359</b>	<b>19,853</b>	<b>3,804,475</b>	<b>3,646,826</b>
<b>Expenditure:</b>								
<b>Raising funds:</b>								
Investment management costs		15,102	-	-	-	-	15,102	11,753
		15,102	-	-	-	-	15,102	11,753
<b>Charitable activities:</b>								
Support for Ministry	6.1	2,359,530	-	650	575,475	12,557	2,948,211	2,928,955
Support for Parishes	6.2	125,840	-	-	-	35	125,875	158,118
Church property	6.3	49,025	630	-	-	-	49,655	18,464
Other financial support	6.4	189,406	-	-	-	7,262	196,668	191,893
Communications	6.5	2,206	-	-	-	-	2,206	15,567
Governance costs	6.7	61,482	-	-	-	-	61,482	64,192
Other	7.1	241,717	-	-	-	-	241,717	43,920
		3,029,208	630	650	575,475	19,853	3,625,814	3,421,108
<b>Total expenditure</b>		<b>3,044,308</b>	<b>630</b>	<b>650</b>	<b>575,475</b>	<b>19,853</b>	<b>3,640,916</b>	<b>3,432,861</b>
Net income / (expenditure)		526,289	(630)	166,017	(528,116)	-	163,559	213,965
<b>Transfers between funds</b>								
Restricted maintenance fund		(564,400)	-	-	564,400	-	-	-
Designated repairs fund		-	-	-	-	-	-	-
<b>Net income/(expenditure) before other recognised gains and losses</b>	16	<b>(38,111)</b>	<b>(630)</b>	<b>166,017</b>	<b>36,284</b>	<b>-</b>	<b>163,559</b>	<b>213,965</b>
<b>Other recognised gains/(losses)</b>								
Gains on disposal of investments	16	72,130	-	-	-	-	72,130	33,565
Gains/(losses) on revaluation of investments	16	(71,763)	-	-	-	4,649	(67,114)	70,538
<b>Net movements in funds for the year</b>		<b>(37,744)</b>	<b>(630)</b>	<b>166,017</b>	<b>36,284</b>	<b>4,649</b>	<b>168,576</b>	<b>318,068</b>
<b>Reconciliation of funds</b>								
Total funds brought forward at 1 January		3,180,376	200,000	-	123,904	851,962	4,356,243	4,038,175
<b>Total funds carried forward at 31 December</b>		<b>3,142,632</b>	<b>199,370</b>	<b>166,017</b>	<b>160,188</b>	<b>856,611</b>	<b>4,524,818</b>	<b>4,356,243</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

# Swansea and Brecon Diocesan Board of Finance Limited

## Summary Income and Expenditure Account for the year ended 31 December 2015

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

	Total Funds 2015 £	Total Funds 2014 £
<b>Income:</b>		
Donations and legacies	3,636,876	3,484,852
Charitable Activities	45,474	43,732
Investments	91,391	93,157
Other	10,880	5,111
	<b>3,784,621</b>	<b>3,626,851</b>
<b>Expenditure</b>		
<b>Cost of raising Funds</b>		
Investment management costs	15,102	11,753
<b>Expenditure on Charitable activities</b>		
Support for Ministry	2,935,654	2,918,926
Support for Parishes	125,840	158,084
Church Property	49,655	18,464
Other Financial Support	189,406	181,982
Communications	2,206	15,567
Governance Costs	61,482	64,192
Other Resources Expended	241,717	43,920
	<b>3,621,062</b>	<b>3,412,887</b>
<b>Net income for the year before gains/(losses) on investments</b>	<b>163,559</b>	<b>213,965</b>
Investment gains/(losses)	72,130	33,565
<b>Net income for the year</b>	<b>235,689</b>	<b>247,530</b>

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 2015 and for the previous year, is equivalent to the figures set out above.

# Swansea and Brecon Diocesan Board of Finance Limited

## Balance sheet as at 31 December 2015

	Notes	2015 £	2014 £
<b>Fixed Assets</b>			
Investments	10	3,913,998	3,474,084
<b>Total fixed assets</b>		<b>3,913,998</b>	<b>3,474,084</b>
<b>Current Assets</b>			
Debtors: due after more than one year	11	403,412	439,328
Debtors: due within one year	12	224,248	298,724
Investments	13	540,476	474,395
Cash at bank and in hand		147,765	414,480
<b>Total current assets</b>		<b>1,315,901</b>	<b>1,626,926</b>
<b>Liabilities</b>			
Creditors falling due within one year	14	(301,969)	(303,277)
<b>Net current assets</b>		<b>1,013,931</b>	<b>1,323,649</b>
<b>Total assets less current liabilities</b>		<b>4,927,929</b>	<b>4,797,732</b>
Creditors falling due after more than one year	15	(403,112)	(441,490)
<b>Net assets</b>		<b>4,524,818</b>	<b>4,356,243</b>
<b>The funds of the charity</b>			
Unrestricted funds	16	3,142,632	3,180,376
Designated Repair Fund	16	199,370	200,000
<b>Total unrestricted funds</b>		<b>3,342,002</b>	<b>3,380,376</b>
<b>Restricted funds</b>			
Ministry Area Transition Fund	16	166,017	-
Parsonage Maintenance Fund (restricted income fund)	16	160,188	123,904
Legacy and Benefactions Account and Trust Funds	16	856,611	851,962
<b>Total restricted funds</b>		<b>1,182,816</b>	<b>975,867</b>
<b>Total Charity funds</b>		<b>4,524,818</b>	<b>4,356,242</b>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006. The notes on pages 15 to 29 form part of these accounts.

The financial statements on pages 12 to 29 were approved by the board of directors on the 28<sup>th</sup> May 2016, and were signed on its behalf by:



**Prof. Peter Townsend**  
Chair of Trustees on behalf of Trustees



# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015

### 1 Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

#### b) Preparation of the accounts on a going concern basis

After making appropriate enquiries, the trustees are of the view that the charity is a going concern.

#### c) Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the items of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of:

- the date on which the charity is aware that probate has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made; or
- when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

### d) Block Grant

A Block grant is provided to the charitable company by the Representative Body of the Church in Wales. This arrangement has applied since 2008 and is expected to apply for subsequent years. The provision of a Block grant has enabled certain additional outgoings by the charitable company to be financed. The Block grant is credited to the Statement of Financial Activities in the year to which it relates.

### e) Donated services and facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

### f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

### g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

### h) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of investment managers
- Expenditure on charitable activities includes the costs of supporting the ministry, support for parishes, and other financial support costs to further the purpose of the Charity.
- Other expenditure represents those items not falling into any other heading.

### i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include salary and related expenditure that support the Charity's activities. These costs have been allocated between activity headings based on time spent.

### j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

## Swansea and Brecon Diocesan Board of Finance Limited

### Notes to the financial statements for the year ended 31 December 2015 (continued)

#### k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short term maturity of three months or less from the date of acquisition or opening of the deposit or similar account

#### l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### m) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of loans which are subsequently measured at the carrying value plus accrued interest less repayments.

#### n) Fixed asset investments

Fixed asset investments, (including those investments held in the Restricted Capital, Endowment Funds), are stated at market value or at Trustees/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.

#### o) Pension contributions

Contributions are made to defined contribution (money purchase) pension arrangements in respect of certain employees of the company. The assets of the money purchase pension arrangements 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.

An amount for clergy pension contributions is recharged to the Company from the Representative Body of the Church in Wales. This arrangement has applied since 2008 and is expected to apply for subsequent years. The amount charged to the company for clergy pension contributions is included within the charge for stipends and allowances. This is included in the heading of Support for Ministry in the Statement of Financial Activities. The total amount of stipends and allowances is charged to the Statement of Financial Activities as incurred. Since 2008 a Block grant provided by the Representative Body of the Church in Wales has enabled the clergy pension contributions charge to be financed (see page 24).

#### p) Taxation

The Charity is a registered charity and, as such, is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

### 3 Legal status of the company

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

### 3 Cash flow Statement

The Company qualifies as a small company under the Companies Act 2006. It has therefore taken advantage of the exemption in FRS1 "Cash flow Statements" and has not prepared a cash flow statement.

### 4 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.

### 5 Income

	Total Funds 2015 £	Total Funds 2014 £
<b>5.1 Donations and legacies</b>		
<i>Parish Share assessed by the DBF</i>	<b>2,516,675</b>	2,467,324
<i>Contributions from the Representative Body:</i>		
Block Grant	<b>881,584</b>	951,741
Diocesan Advisory Committee	<b>8,333</b>	8,333
Parsonage Improvement Interest (restricted fund see note 16)	<b>9,094</b>	7,028
<i>Grants received:</i>		
Parsonage Repair Grants (restricted fund see note 16)	<b>8,926</b>	7,560
Allchurches Trust	<b>19,439</b>	18,965
Swansea University	<b>11,510</b>	11,126
Isla Johnson Trust	<b>3,000</b>	2,000
Diocesan Trust	<b>10,000</b>	10,000
Other Grants	<b>1,160</b>	454
Widows Orphans & Dependants	<b>488</b>	280
Miscellaneous	-	40
Restricted ministry area transaction fund	<b>166,667</b>	-
	<b>3,636,876</b>	3,484,352

Grants received for parsonage repair of £8,926 (2014: £7,560) and parsonage improvement fund interest of £9,094 (2014: £7,028) are credited to the restricted income fund. All other income is credited to unrestricted funds.

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

	Total Funds 2015 £	Total Funds 2014 £
<b>5.2 Charitable Activities</b>		
<i><b>Resource Centres - Reprographics</b></i>		
Eastmoor Resource Centre, Swansea	6,046	5,698
Diocesan Centre, Brecon	5,041	7,047
<i><b>Resource Centres - Room Lettings</b></i>		
Eastmoor Resource Centre, Swansea	-	-
Diocesan Centre, Brecon	980	708
<i><b>Parsonage Rental Income</b></i> (restricted fund - see note 16)	13,744	6,010
<i><b>Sale of Diocesan Publications</b></i>	15	60
<i><b>Contribution from Parishes</b></i>	4,694	2,028
<i><b>Contributions from Diocesan organisations</b></i>	11,475	18,186
<i><b>Marriage Licence Fees</b></i>	3,480	3,995
	<b>45,475</b>	<b>43,732</b>

Parsonage rental income of £13,744 (2014: £6,010) is credited to the restricted income fund.

Incoming resources from Charitable Activities includes Contributions from Parishes towards expenditure on Parsonages credited to restricted income fund £4,694 (2014: £2,028).

	Total Funds 2015 £	Total Funds 2014 £
<b>5.3 Investments:</b>		
<i><b>Fixed Asset Investments and Banks</b></i>		
Income from fixed asset investments - listed	85,920	85,641
Income from Representative Body Common Investment Fund Units	1,239	1,314
Bank and money market interest	1,696	2,503
Other interest	1,751	3,037
<i><b>Income from Investment of Bequests</b></i> (£21 (2014: £21) restricted fund - see note 16)	20,638	20,637
	<b>111,245</b>	<b>113,132</b>

Incoming resources from investment of bequests amounting to £21 (2014: £21) is credited to the restricted income fund whilst £19,853 (2014: £19,975) is credited to Restricted Capital Endowment Funds.

	Total Funds 2015 £	Total Funds 2014 £
<b>5.4 Other Income</b>		
<i><b>Insurance Claims</b></i>	10,880	5,111
	<b>10,880</b>	<b>5,111</b>

Incoming resources from insurance claims amounting to £10,880 (2014: £5,111) is credited to the restricted income fund.

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

### 6 Expenditure

	Total Funds 2015 £	Total Funds 2014 £
<b>6.1 Support for Ministry</b>		
<b><i>Stipends &amp; Fees</i></b>		
Stipends and allowances	2,003,046	2,251,043
Vacancy fees	12,798	-
Council Tax	102,639	121,415
Death in service insurance	-	11,630
<b><i>Parsonages</i></b>		
Maintenance of Parsonages (restricted fund see note 16)	531,498	306,002
Property rentals	13,800	9,242
Insurance of Parsonage Houses	14,620	17,577
Custodians expenses	5,439	3,160
<b><i>Clergy Expenses</i></b>		
Archdeacons' expenses	8,754	9,259
Director of Ministry expenses	3,352	2,871
Director Of Mission expenses	6,121	2,589
Area Deans' expenses	3,527	1,709
University Chaplain's expenses	669	2,943
Removal and disturbance allowances	35,473	32,553
Nomination Board expenses	140	1,764
Travel and other expenses	4,247	4,445
<b><i>Training</i></b>		
Vocations	301	1,143
Ordinands	48,113	25,243
Continuing Ministerial Education	3,634	-
Clergy School	27,204	-
Readers	8,865	11,833
<b><i>Support Costs (see note 6.6)</i></b>		
General Fund	69,346	70,211
Parsonage Board	43,976	42,326
(£41,508 (2014: £45,199) restricted fund - see note 16)		
Restricted Ministry area transition fund	650	-
	<b>2,948,211</b>	<b>2,928,956</b>

Of the above costs, costs for the maintenance of parsonages of £531,498 (2014: £306,002) and support costs of £43,976 (2014: £42,326) are charged to the restricted income fund. Further costs of £12,557 (2014: £10,030) are funded by Legacy income and are charged to Restricted Capital Endowment Funds.

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

	<b>Total Funds 2015 £</b>	<b>Total Funds 2014 £</b>
<b>6.2 Support for Parishes</b>		
<b><i>Sector Ministries</i></b>		
Discipleship	(440)	2,021
Parish Mission	(2,656)	4,597
Rural Life Ministry	445	4,821
Stewardship	1,012	86
Social Responsibility	18,042	18,141
World Mission	337	337
Tourism	47	-
Ecumenical	-	150
Christian Deliverance	206	390
Statutory Education	16,996	20,594
Children and Youth	2,901	8,710
<b><i>Diocesan Expenses</i></b>		
Safeguarding Committee	883	2,921
Diocesan Archivist	200	200
Eastmoor Centre	14,648	19,260
Diocesan Centre	11,627	14,064
<b><i>Support Costs (see note 6.6)</i></b>	<b>61,627</b>	<b>61,825</b>
	<b>125,875</b>	<b>158,118</b>

Of the above costs £35 (2014: £34) is funded by legacy income and is charged to Restricted Capital Endowment Funds.

	<b>Total Funds 2015 £</b>	<b>Total Funds 2014 £</b>
<b>6.3 Church Property</b>		
Inspections of Churches and Halls	19,889	28,948
Diocesan Advisory Committee expenses	11,787	11,311
Churches and Pastoral Committee expenses	2,848	2,364
Repairs to Diocesan Centre Building	-	51,278
Unrestricted designated repair fund	630	-
<b><i>Support Costs (see note 6.6)</i></b>	<b>14,501</b>	<b>14,563</b>
	<b>49,655</b>	<b>108,464</b>

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

	Total Funds 2015 £	Total Funds 2014 £
<b>6.4 Other Financial Support</b>		
<i><b>Diocesan Bodies</b></i>		
Bishop's Fund	12,000	12,000
Brecon Cathedral Grants	41,190	41,190
Diocesan Mission Fund	15,064	30,514
Church Repair Grants	13,700	7,533
Representative Body - Emergency Repairs Fund	16,667	16,667
Parish Assistance Fund	25,614	11,507
Social Responsibility Grants	30,000	30,000
Widows Orphans & Dependants Grants	7,750	10,192
Retired Clergy	-	150
<i><b>Anglican, Ecumenical and other bodies</b></i>		
World Mission Grants	21,500	20,600
Llangasty Retreat House Grant	5,000	5,000
Other Grants	1,000	200
<i><b>Support Costs (see note 6.6)</b></i>	<b>7,183</b>	<b>6,341</b>
	<b>196,668</b>	<b>191,893</b>

Of the above costs £7,262 (2014: £9,912) is funded by endowment income and is charged to Restricted Capital Endowment Funds.

	Total Funds 2015 £	Total Funds 2014 £
<b>6.5 Communications</b>		
Communications and Media	2,434	1,002
Newsletters and Diocesan Publications	(1,449)	5,796
<i><b>Support Costs (see note 6.6)</b></i>	<b>1,220</b>	<b>8,770</b>
	<b>2,206</b>	<b>15,567</b>



# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

	<b>Total Funds 2015 £</b>	<b>Total Funds 2014 £</b>
<b>6.6 Support Costs - Management and Administration</b>		
Salaries including pensions and pension scheme contributions (see note 7.1)	<b>167,339</b>	157,396
Staff and Office expenses	<b>25,155</b>	42,104
	<b>192,494</b>	<b>199,500</b>

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

	<b>Total Funds 2015 £</b>	<b>Total Funds 2014 £</b>
Support for Ministry	<b>69,346</b>	70,211
Support for Parishes	<b>61,627</b>	61,825
Church Property	<b>14,501</b>	14,563
Other Financial Support	<b>7,183</b>	6,341
Communication	<b>1,220</b>	8,770
Governance Costs	<b>38,617</b>	37,790
	<b>192,494</b>	<b>199,500</b>

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.

### 6.7 Governance Costs

	<b>Total Funds 2015 £</b>	<b>Total Funds 2014 £</b>
Staff and Administrative Costs (see note 6.6)	<b>38,617</b>	37,790
Company expenses	<b>13</b>	55
Audit fees	<b>9,694</b>	10,055
Diocesan Conference and Standing Committee	<b>3,770</b>	4,770
Governing Body Meeting expenses	<b>9,388</b>	11,522
	<b>61,482</b>	<b>64,192</b>

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

### 7 Analysis of staff costs and trustee remuneration and expenses

	<b>Total Funds 2015 £</b>	<b>Total Funds 2014 £</b>
<b>7.1 Salaries including pensions and pension scheme contributions</b>		
Salaries	<b>199,318</b>	188,997
Social security costs	<b>12,751</b>	4,885
Pensions	<b>6,929</b>	6,840
Pension scheme defined contributions (see below)	<b>22,211</b>	18,837
	<b>241,208</b>	219,559

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

	<b>Total Funds 2015 £</b>	<b>Total Funds 2014 £</b>
Support costs (see note 6.6)	<b>167,339</b>	157,396
Support for Parishes:		
Diocesan Officers	<b>13,755</b>	13,875
Resource Centre Staff	<b>14,207</b>	15,468
Diocesan Archivist, Webmaster & Conference Secretary	<b>275</b>	700
Church Property:		
DAC Secretary	<b>11,315</b>	11,055
Parsonage Board	<b>34,315</b>	21,066
	<b>241,208</b>	219,559

No remuneration was paid to members of the Board of Trustees for the year ended 31 December 2015 or for the previous year.

For clergy who are members of the Board of Trustees, expenses were incurred by the charitable company in connection with their duties. For the year ended 31 December 2015 the expenses amounted to £14,875 (2014: £11,992).

For the year ended 31 December 2015 for clergy members of the Board of Trustees stipends amount to £132,596 (2014: £116,687), national insurance contributions of £11,934 (2014: £10,642) and pension contributions £43,359 (2014: £38,157). These amounts are included in the total for stipends and allowances which is shown in Note 6.1.

Pension scheme defined contributions are made in respect of certain employees of the charitable company. The contributions are payable by the company to funds, the assets of which are held separately from those of the company.

No employees earned more than £60,000 for the year ended 31 December 2015 (no employees in the previous year).

The average weekly number of persons employed during the year was 8 (2014: 7).

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

### 8 Other Resources Expended

	Total Funds 2015 £	Total Funds 2014 £
Rebate of Parish Share	85,231	-
Provision against unpaid Parish Share	156,486	43,920
	<b>241,717</b>	<b>43,920</b>

### 9 Related party transactions

Other than transactions with the Representative Body of the Church in Wales, as there have been no related party transactions in the year ended 31 December 2015 and 2014.

### 10 Investments

	Investments UK - listed £	Fixed interest debentures & corporate bonds £	Unit trust investments £	Other investments £	Total investments £
<b>Book and market value</b>					
At 1 January 2015	1,027,058	368,142	1,166,600	912,284	3,474,083
Additions less disposals	178,214	76,793	164,000	-	419,007
Gains/(Losses) on disposal	15,691	(13,060)	69,499	-	72,130
Gains/(Losses) on revaluation	(76,226)	(1,124)	6,295	(709)	(71,763)
<b>At 31 December 2015</b>	<b>1,144,737</b>	<b>430,751</b>	<b>1,406,395</b>	<b>911,575</b>	<b>3,893,458</b>

Fixed asset investments are held as follows:

	2015 £	2014 £
<b>Held in General Unrestricted Funds</b>		
Investment assets UK - listed	1,144,737	1,027,058
Fixed interest debentures and corporate bonds	430,751	368,142
Unit Trust investments	1,406,395	1,166,600
	<b>2,981,883</b>	<b>2,561,800</b>
Other investments comprise:		
<b>Held in General Unrestricted Funds</b>		
29,652 (2014: 29,652) Representative Body		
Investment Fund Units	44,585	45,293
Brewin Dolphin Deposit Account	30,919	15,028
<b>General Unrestricted Funds</b>	<b>75,504</b>	<b>60,322</b>
<b>Held in Restricted Capital, Endowment Funds</b>		
<b>Legacy and Benefactions Account and Trust Funds</b>		
Held by Swansea and Brecon Diocesan Trust	499,026	488,840
Held by the Representative Body	348,353	353,890
Held by the Board of Finance	9,232	9,232
<b>Restricted Capital, Endowment Funds</b>	<b>856,611</b>	<b>851,962</b>
<b>Total Other Investments</b>	<b>932,115</b>	<b>912,284</b>
<b>Total investments</b>	<b>3,913,998</b>	<b>3,474,084</b>

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

### 10 Investments (continued)

Restricted Capital, Endowment Funds include investments held by the Swansea and Brecon Diocesan Trust and by the Representative Body of the Church in Wales. Of the aggregate investments held by the Swansea and Brecon Diocesan Trust, units are allocated as being held on behalf of the Board of Finance. The carrying value shown under this heading above represents this allocation. Units held at 31 December 2015 are 337,333 (2014: 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 the Representative Body Funds. The aggregate number of units at 31 December 2015 are 240,879 (2014: 240,879).

The carrying value of investments held in the Restricted Capital, Endowment Funds is stated in accordance with the accounting policy in note 1 of these financial statements.

### 11 Debtors due after more than one year

	2015	2014
	£	£
<b>General Unrestricted Funds</b>		
Loans funded by representative Body		
Loans to Parishes	8,112	28,778
Retired clergy Mortgage Loans	395,000	410,000
	<u>403,112</u>	<u>438,778</u>
Loans to parishes funded by Diocese	300	550
	<u>403,412</u>	<u>439,328</u>

### 12 Debtors due within one year

	2015	2014
	£	£
<b>General Unrestricted Funds</b>		
Parish Share	395,878	397,570
Payments in Advance	8,164	-
Parochial Loans	18,843	18,843
Bank interest and investment income	9,363	7,777
Representative Body - Improvement Fund Repayment	87,165	-
Miscellaneous	51,430	66,327
Provision for doubtful debts	(353,647)	(197,161)
	<u>217,197</u>	<u>293,356</u>

#### Restricted Funds:

#### Parsonage Maintenance Fund (restricted income fund)

Grants and insurance claims

#### Legacy and Benefactions Account and Trust Funds

Trust fund income held by Diocesan Trust	7,051	5,368
	<u>7,051</u>	<u>5,368</u>
<b>Debtors due within one year</b>	<u>224,248</u>	<u>298,724</u>

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

### 13 Short term deposits

	2015 £	2014 £
<b>General Unrestricted Funds</b>		
CAF Gold Account	540,476	271,521
Scottish Widows Fund	-	202,873
	<u>540,476</u>	<u>474,395</u>

### 14 Creditors: amounts falling due within one year

	2015 £	2014 £
<b>General Unrestricted Funds</b>		
Representative Body of The Church in Wales	-	95,000
Creditors Control	43,844	13,301
Internally invested Restricted Funds	9,232	9,232
Quinquennial Inspections	2,664	2,490
Church Repair Grants	10,200	13,500
Continuing Ministerial Education Grants	16,615	17,842
Parish Share Rebates	19,108	-
Sundry creditors	22,524	65,581
	<u>124,187</u>	<u>216,946</u>
<b>Restricted Funds:</b>		
<b>Parsonage Maintenance Fund (restricted income fund)</b>		
Sundry creditors	107,298	18,245
	<u>107,298</u>	<u>18,245</u>
<b>Legacy and Benefactions Account and Trust Funds</b>		
Trust income payable	70,485	68,087
	<u>70,485</u>	<u>68,087</u>
	<u>177,783</u>	<u>86,332</u>
<b>Creditors: amounts falling due within one year</b>	<u>301,969</u>	<u>303,277</u>

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

### 15 Creditors: amounts falling due after more than one year

	2015 £	2014 £
<b>General Unrestricted Funds</b>		
Loans from the Representative Body of The Church in Wales		
General Loan Fund at 5%	-	21,543
Curates Houses Loans at 3.5%	8,112	9,947
Houses for retired clergy - Provincial Loan @ 1.5%	65,000	80,000
Houses for retired clergy - Equity linked loan - interest free	330,000	330,000
	<b>403,112</b>	<b>441,490</b>

Loans received from the Representative Body of The Church in Wales are applied to fund loans to Parishes and for Retired clergy housing. These loans are included in debtors falling due after more than one year (see Note 11). Interest at the rates shown 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. The liability to repay the Representative Body is independent of the recovery of loans made to Parishes and Clergy.

### 16 Accumulated Fund balances

	Accumulat ed fund balances at 1 January 2015 £	Net incoming resources for the year (see below) £	Gains/(losse s) arising on revaluation of fixed asset investments (see below) £	Accumulat ed Fund balances at 31 December 2015 £
<b>General Unrestricted Income Funds</b>				
General Fund Reserve	3,180,376	34,019	(71,763)	3,142,632
Designated Repairs Fund	200,000	(630)	-	199,370
<b>Restricted Funds</b>				
Ministry Area Transition Fund	-	166,017	-	166,017
Parsonage Maintenance Fund	123,904	36,284	-	160,188
<b>Trust Funds</b>				
Fund Balances	851,962	-	4,649	856,611
<b>Total Funds</b>	<b>4,356,243</b>	<b>235,690</b>	<b>(67,114)</b>	<b>4,524,818</b>

# Swansea and Brecon Diocesan Board of Finance Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

### 17 Summary of Parsonage Maintenance Fund (restricted income fund) for the year ended 31 December 2015

	2015 £	2014 £
<b>Income</b>		
Contributions from Diocesan Board of Finance General		
Unrestricted Income Fund	564,400	337,697
Income from rented Properties	13,744	6,010
Interest on Improvement Fund	9,094	7,028
Insurance claims	10,880	4,424
Grants and Parochial contributions	13,620	9,588
Income from Bequests	21	21
<b>Total Income</b>	<b>611,759</b>	<b>364,768</b>
<b>Expenditure</b>		
Maintenance of Parsonages	511,854	285,974
Maintenance contracts	19,644	20,028
	531,498	306,002
Administration	43,976	42,326
<b>Total expenditure</b>	<b>575,475</b>	<b>348,328</b>
Surplus for the year	36,284	16,440
Fund balance brought forward at 1 January	123,904	107,464
<b>Fund balance carried forward at 31 December</b>	<b>160,188</b>	<b>123,904</b>

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:

	2015 £	2014 £
Maintenance costs	531,498	306,002
Improvement costs (borne by the Representative Body)	175,339	98,727
	<b>706,837</b>	<b>404,729</b>