

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**

**FINANCIAL STATEMENTS**

**31 DECEMBER 1994**

**Registered Number : 186001**

**Registered Charity Number : 249798**



**BISHOP FLEMING  
CHARTERED ACCOUNTANTS  
1 Barnfield Crescent  
Exeter  
Devon, EX1 1QY**

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**FOR THE YEAR ENDED 31 DECEMBER 1994**

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# THE EXETER DIOCESAN BOARD OF FINANCE LIMITED

## Membership Details

Ex Officio	Bishop of Exeter – President
	Bishop of Crediton
	Bishop of Plymouth
	Archdeacon of Exeter
	Archdeacon of Totnes
	Archdeacon of Barnstaple
	Archdeacon of Plymouth
	Dean of Exeter

### Archdeaconry Representatives

#### Exeter

Revd Preb Dr P D L Avis  
Revd J Fairweather  
Revd Preb J V Mapson

#### Totnes

Revd P W Darby  
Revd P Hancock  
Revd A K F Macey

#### Barnstaple

Revd J P Benson  
Revd W G Blakey  
Revd M J Pearson

#### Plymouth

Revd R J Carlton  
Revd M D D Jones  
Revd Preb S Philpott

### Lay Representatives

Aylesbeare:	Mr B H Beacham	Woodleigh:	Mrs J M Trinick
Cadbury:	Mr J Sandford	Barnstaple:	Mr M A Hardiman
Christianity:	Mr G W Rice	Chulmleigh:	Mr R C M Bass
Cullompton:	Mr G G Miller	Hartland:	Mr P A Dean
Honiton:	Mr G Jones	Shirwell:	Mr R Soutter
Kenn:	Mr D Elson	South Molton:	Mr H R Pierce
Ottery:	Mr T B Harrow	Torrington:	Mr G S Inglis
Tiverton:	Mr C Morley-Smith	Ivybridge:	Mrs C Lock
Holsworthy:	Mrs S E Masterman	Plymouth:-	
Ipplepen:	Mr G A Tucker	Devonport:	Mr R B McNally
Moreton:	Mrs S E Coombes	Moorside:	Mrs P Razey
Okehampton:	Mr E Sweet	Sutton:	Mr F T Crowe
Totnes:	Mr R D Parkin	Tavistock:	Srg Cmdr G Salmon

### Nominated by the Bishop

Mr G C B Kellagher (Chairman to July 1994)  
Revd A R Gibson  
Mr A J Hutchinson (Chairman from July 1994)

### Co-opted

Col R J Boyles

# **THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**

## **DIRECTORS' REPORT**

The Directors present their report and the financial statements for the year ended 31 December 1994.

### **Principal Activities**

The Board acts as financial executive of the Diocesan Synod to promote the activities of the Church of England in the Diocese of Exeter. The Board also acts as custodian trustee and as agents to other trustees, boards, councils and committees of the diocese.

### **Review**

The Board recorded a surplus on unrestricted funds of £189,834 and on restricted funds of £36,532 for the year both of which have been added to retained reserves.

### **Charitable and Political Contributions**

No political contributions are paid by this charitable organisation. Charitable contributions have been paid as normal expenditure in the exercise of the Board's objects.

### **Directors**

The names of the directors who served during the year are shown on page 1 of these financial statements.

### **Directors' Interests in Shares and Dividends**

The Board is a company limited by guarantee and the directors, as members, may derive no benefit, income, or capital interest in the Board's financial affairs other than reimbursement of out-of-pocket expenses. The Board has no share capital and is precluded from the payment of dividends. Each director may be required to contribute a sum not exceeding one pound in the event of winding up.

### **Taxation Status**

As a charity the Board enjoys substantial exemption from income tax, corporation tax and capital gains tax.

## **THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**

### **DIRECTORS' REPORT CONT/D..**

#### **Presentation of Accounts**

The Board's accounts are prepared in accordance with company law and applicable accounting standards. Since the previous annual report, the Accounting Standards Board has issued Financial Reporting Standard No.5 - "Reporting the substance of transactions" which has had a major effect on the presentation of this year's accounts.

Consequently, assets which are held by and, to a significant degree, controlled by the Church Commissioners are disclosed in the accounts for the first time. These assets include the parsonage houses and glebe property in the Diocese as well as certain investments.

Property and investments are now shown in the accounts at open market value rather than original cost as in previous years.

The financial effect of these changes is to restate the value of the Board's assets by an increase of approximately £55,000,000. However, it is important to understand that these funds continue to be under the jurisdiction of the Church Commissioners and therefore the capital is not available for the Board's general purpose.

#### **Auditors**

In accordance with Section 384 of the Companies Act 1985 a resolution proposing the re-appointment of Bishop Fleming as auditors to the company will be put to the Annual General Meeting.

## THE EXETER DIOCESAN BOARD OF FINANCE LIMITED

### DIRECTORS' REPORT CONT/D..

#### Statement of Directors' Responsibilities

We are required under company law to prepare financial statements for each accounting period which gives a true and fair view of the state of affairs of the company and the surplus or deficit of the company for that period. In preparing those financial statements we are required to:

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

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

By Order of the Board

Rev R R Huddleson  
Secretary



Registered Charity No. 249798  
Company No. 186001

Diocesan House  
Palace Gate  
Exeter  
EX1 1HX

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**REPORT OF THE AUDITORS TO THE MEMBERS**  
**OF THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**

We have audited the financial statements on pages 6 to 23 which have been prepared under the accounting policies set out on pages 11 to 13.

**Respective Responsibilities of Directors and Auditors**

As described in the directors' report on page 4, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

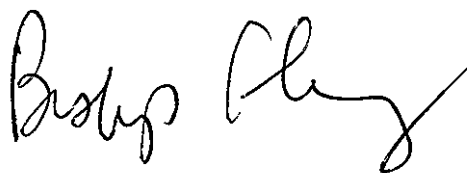
**Basis of Opinion**

We conducted our audit in accordance with auditing standards 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, and of whether the accounting policies are appropriate to the 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 error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its deficit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants & Registered Auditors  
1 Barnfield Crescent  
Exeter, Devon  
EX1 1QY

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 1994**

	Unrestricted Funds £	Restricted Funds £	Continuing Operations 1994 £	As restated 1993 £
<b><u>Income</u></b>				
Parochial Share	3,595,494	–	3,595,494	3,156,693
Rents Receivable	512,862	5,000	517,862	513,269
Donations	75,242	–	75,242	67,169
Interest and Dividends	585,873	54,835	640,708	568,066
Contributions towards Stipends	75,465	–	75,465	74,028
Assigned Fees	226,418	–	226,418	217,527
Church Commissioners	837,350	–	837,350	1,031,798
Miscellaneous	3,862	–	3,862	16,786
	<hr/> 5,912,566	<hr/> 59,835	<hr/> 5,972,401	<hr/> 5,645,336
<b><u>General Capital Fund</u></b>				
Interest and Dividends	36,825	–	36,825	40,951
	<hr/> 5,949,391	<hr/> 59,835	<hr/> 6,009,226	<hr/> 5,686,287
<b><u>Expenditure</u></b>				
Maintenance of the Ministry:–				
Stipends, grants, administration and Dignitaries' expenses	4,003,123	–	4,003,123	4,016,023
Ordinands – central apportionment	188,260	–	188,260	201,890
Ministerial Training	19,586	–	19,586	12,685
Lay training	9,229	–	9,229	13,847
Diocesan Readers	5,775	–	5,775	6,000
	<hr/> 4,225,973	<hr/> –	<hr/> 4,225,973	<hr/> 4,250,445
Mortgage Interest	–	22,663	22,663	–
Clergy and Board Housing	612,592	–	612,592	589,089
Married Ordinands' Grants	55,816	–	55,816	78,670
Diocesan Director of Ordinands	6,208	–	6,208	6,462
Education and Outreach	296,744	–	296,744	296,900
Central & Diocesan Administration	436,828	–	436,828	422,266
Church Buildings	51,208	–	51,208	61,460
Urban Priority Areas	53,465	–	53,465	22,409
Clergy Widows	7,195	–	7,195	7,402
Clergy Marriage Breakdown	432	–	432	337
Miscellaneous and Contingencies	4,830	640	5,470	4,358
Deficit on Investment sales	8,266	–	8,266	–
	<hr/> 5,759,557	<hr/> 23,303	<hr/> 5,782,860	<hr/> 5,739,798
<b>Net Income/(Outgoing) resources before transfers</b>	<hr/> 189,834	<hr/> 36,532	<hr/> 226,366	<hr/> (53,511)



**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES CONT/D..**  
**FOR THE YEAR ENDED 31 DECEMBER 1994**

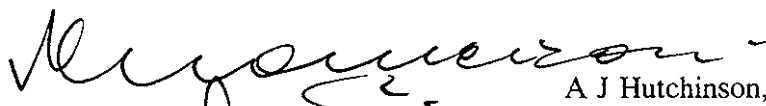
	Unrestricted Funds £	Restricted Funds £	Continuing Operations 1994 £	As Restated 1993 £
<b>Net Income/(Outgoing) resources before transfers</b>	189,834	36,532	226,366	(53,511)
Transfers between funds	67,772	(67,772)	—	—
<b>Net Income/(Outgoing) resources for the year</b>	257,606	(31,240)	226,366	(53,511)
Unrealised losses on investment assets	(249,394)	(388,074)	(637,468)	—
Net movement in funds	8,212	(419,314)	(411,102)	(53,511)
Balances brought forward at 1 January 1994 – as restated	9,473,139	50,731,719	60,204,858	60,258,369
Balance carried forward at 31 December 1994	9,481,351	50,312,405	59,793,756	60,204,858


# THE EXETER DIOCESAN BOARD OF FINANCE LIMITED

## BALANCE SHEET AT 31 DECEMBER 1994

		1994		As restated 1993	
		£	£	£	£
	<u>Notes</u>				
<b><u>Fixed assets</u></b>					
Tangible Assets	6	49,031,138		49,293,686	
Investments	7	7,949,073		8,622,022	
		<u>56,980,211</u>		<u>57,915,708</u>	
<b><u>Current assets</u></b>					
Debtors	8	998,733		816,781	
Short term investments	9	2,093,760		2,238,949	
Cash at Bank and in Hand		950,303		781,180	
		<u>4,042,796</u>		<u>3,836,910</u>	
<b><u>Creditors: Amounts</u></b>					
falling due within one year	10	44,111		74,927	
<b><u>Net current assets</u></b>			<u>3,998,685</u>		<u>3,761,983</u>
<b><u>Total assets less current liabilities</u></b>			<u>60,978,896</u>		<u>61,677,691</u>
<b><u>Creditors: Amounts</u></b>					
falling due after one year	11	(1,178,187)		(1,464,987)	
<b><u>Provisions for liabilities and charges</u></b>					
Future Expenditure	12	(6,953)		(7,846)	
		<u>59,793,756</u>		<u>60,204,858</u>	
<b><u>Capital and reserves</u></b>					
Unrestricted Funds		9,481,351		9,473,139	
Restricted Funds		50,312,405		50,731,719	
	13	<u>59,793,756</u>		<u>60,204,858</u>	

The financial statements on pages 6 to 23 were approved by the board of directors on

  
A J Hutchinson, Chairman

  
Ven A F Tremlett, Vice Chairman

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31 DECEMBER 1994**

	1994 £
<b>Surplus for the year</b>	226,366
Unrealised loss on revaluation of fixed investment	(637,468)
<b>Total recognised gains and losses relating to the year</b>	(411,102)
Prior year adjustment (as explained in Note 3b)	55,215,904
<b>Total recognised gains and losses since the last annual report</b>	<u>54,804,802</u>

The Board has been unable to provide comparative figures to the statement of total recognised gains and losses as the information required in relation to the values of property and investments cannot be obtained.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 1994**

		1994	1993
		£	£
	<u>Notes</u>		
Net Cashflow from operating activities	17a	(16,704)	(534,168)
<b>Investing Activities</b>			
Payments to acquire Investments		(48,248)	(500,200)
Receipts from sale of Investments		112,288	191,328
Purchase of Property		(625,619)	(187,820)
Sale Proceeds of Property		763,339	-
Received from Parishes for Property		124,828	-
Loans granted to Parishes		(105,000)	(45,000)
Loans repaid by Parishes		105,850	226,950
Loans to Clergy		-	4,011
		<hr/>	<hr/>
		327,438	(310,731)
Net cash (outflow) / inflow before financing		<hr/>	<hr/>
		310,734	(844,899)
<b>Financing</b>			
Loans repaid to CBF		(6,700)	(135,700)
Loans repaid to Church Commissioners		(280,120)	-
		<hr/>	<hr/>
	17d	(286,800)	(130,700)
(Decrease)/Increase in cash and cash Equivalents	17c	<hr/>	<hr/>
		£ 23,934	£ (975,599)
		<hr/>	<hr/>

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994**

**1. Constitution**

The company is incorporated as limited by guarantee under the Companies Act 1948. In the event of winding up, every member of the Board is liable to contribute a sum not exceeding £1 per member towards the debts and liabilities of the company and the costs, charges and expenses of winding up.

**2. General Form and Content of Financial Statements**

The financial statements have been drawn up in a format that complies with the Companies Act 1985 in so far as provisions of this Act are appropriate to the Board. The Income and Expenditure Account is presented so as to show a true and fair view of the amounts dealt with in that statement. The board is a registered charity whose income and expenditure is not suited to any of the prescribed formats.

**3. Accounting Policies**

**a) Basis of accounting**

The accounts are prepared under the historical cost accounting rules except that freehold land and buildings and investments (held as fixed assets) are included at valuation.

The Board has taken advantage of adopting its own arrangements of the headings and sub headings of its accounts due to the special nature of its business as permitted by section 3(3) of Schedule 4 of the Companies Act 1985.

**b) Changes in accounting policies and presentation**

Comparative figures have been restated to follow Financial Reporting Standard No.5 - "Reporting the substance of transactions" and, to reflect a change of accounting policy relating to the basis valuation of freehold property and long term investment.

Parsonage houses, Glebe property, the Diocesan Stipends Capital Account and the Pastoral Account are incorporated in the accounts for the first time. As in the past trust funds and related assets where the Board acts only as a custodian trustee are excluded.

Freehold property and long term investments are now shown in the balance sheet at their estimated market valuation. In the past these assets were excluded from the financial statements. The accounting policy has been changed in order to provide a fairer presentation and a better indication of the value of the Board's resources.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

3. Accounting Policies Cont...

b) **Changes in accounting policies and presentation cont..**

As a result, comparative figures for the year ended 31 December 1993 have been adjusted as follows:-

	£	£
Net assets as previously reported		4,988,954
<u>General Fund</u>		
Parsonage houses expenditure	(273,136)	
Board property	4,957,673	
	<hr/>	4,684,537
<u>Designated Fund</u>		
Maintenance of ministry		(5,656)
<u>Restricted Property Funds</u>		
Surplus/(deficit) on revaluation of:		
Parsonage houses	29,461,882	
Glebe investment property	3,425,000	
Other Glebe properties	2,773,439	
Equity sharing property	1,249,543	
Equity sharing loans	(554,654)	
Team vicarages	6,423,067	
Accommodation for retired clergy	948,082	
Permanent housing loans introduced	(481,879)	
Temporary housing loans introduced	(410,754)	
Temporary housing funds introduced	1,004,468	
Clergy widows	55,000	
	<hr/>	43,893,194
<u>Diocesan Pastoral Account</u>		
Cash held by Church Commissioners	393,792	
Sundry debtors	5,000	
	<hr/>	398,792
<u>Diocesan Stipends Capital Account</u>		
Investments introduced at valuation	4,759,934	
Cash held by Church Commissioners	438,288	
	<hr/>	5,198,222
Restatement of assets previously included in accounts at cost to market value		
General fund	46,866	
Designated funds	649,682	
Parsonage capital fund	350,267	
	<hr/>	1,046,815
Net assets as restated		<hr/> <hr/> 60,204,858

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

**3. Accounting Policies Cont/d..**

- c) Parochial share represents the amounts assessed for contribution by parishes for the year plus any recoveries from previous years. The debtor represents cash received between 1 January 1995 and 31 March 1995 in respect of 1994 assessments.
- d) Investment income arising from stocks and shares is only brought into account when received.
- e) The Board is not registered for value added tax and accordingly, any such tax levied has been charged in the financial statements under the relevant expenditure heading.
- f) Provisions for the replacement of vehicles, fixtures, fittings, office furniture and equipment, and office redecoration have been made to spread the cost of those items. Expenditure, when incurred, is charged against the provision for future expenditure and is not capitalised as fixed assets.
- g) No depreciation is provided on freehold buildings as these are estimated to have a useful life in excess of 50 years and it is the Board's policy to maintain the buildings in good condition.

The Board, in its capacity as custodian trustee, holds assets and is responsible for the income and expenditure of certain trusts. The Trust accounts do not form part of these financial statements but are set out separately. The accounting year end of the trust is 31 August and the latest accounts prepared are for the year ended 31 August 1994.

**h) Pension costs**

The cost of providing pensions and other retirement benefits is charged to the income and expenditure account on a systematic basis over the expected remaining service lives of current employees of the Board.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

4. <b><u>Surplus/(Deficit) for the Year</u></b>	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>

This is stated after charging:-

Auditors' remuneration	7,500	6,475
	<hr/>	<hr/>

5. <b><u>Staff Costs and Employee Information</u></b>	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>

Total staff costs, including directors,  
are as follows:

Wages and Salaries	168,028	168,382
Social Security Costs	11,645	11,733
Other Pension Costs (see note 16)	17,393	22,099
	<hr/>	<hr/>
	197,066	202,214
	<hr/>	<hr/>

The average weekly number of employees,  
including directors, during the year  
was made up as follows:-

Administration staff	13	12
	<hr/>	<hr/>

The board also met the stipends of 290 parochial clergy serving in the diocese (1993 - 298).



**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

6. Tangible Assets (as restated) – *At valuation*

	<u>Unrestricted Funds</u>		<u>Restricted Funds</u>				<u>→</u>		<u>Total</u>	
	<u>DBF Properties</u>	<u>Benefice Houses</u>	<u>Team Vicarages</u>	<u>ARC Properties</u>	<u>Clergy Widows</u>	<u>Equity Shared Properties with Parishes</u>	<u>Equity Shared Properties with Church Commissioners</u>	<u>Glebe Investments Properties</u>	<u>Other Glebe Properties</u>	
	£	£	£	£	£	£	£	£	£	£
<b>At 1 January 1994</b>	4,957,673	29,461,882	6,423,067	948,082	55,000	515,918	733,625	3,425,000	2,773,439	49,293,686
Addition	85,656	344,118	59,933	141	-	64,473	-	-	71,298	625,619
Disposals	(291,354)	(379,000)	-	(48,248)	-	-	-	-	(44,737)	(763,339)
Contributions from Parish	-	-	-	-	-	(124,828)	-	-	-	(124,828)
<b>At 31 December 1994</b>	<u>4,751,975</u>	<u>29,427,000</u>	<u>6,483,000</u>	<u>899,975</u>	<u>55,000</u>	<u>455,563</u>	<u>733,625</u>	<u>3,425,000</u>	<u>2,800,000</u>	<u>49,031,138</u>
Historical Cost	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes

1. Glebe Investments property was valued in February 1995 by Stratton Creber, Surveyors and Valuers, on an open market existing basis at £3.425 million.
2. Property equity shared with the Church Commissioners is valued in accordance with advice provided annually by the Church Commissioners.
3. All other properties were valued, on an open market existing use basis, at 31 December 1994 by the Diocesan offices.
4. The original historical cost of property other than the ARC and Glebe Investments property can not be obtained without unreasonable expense and delay.
5. A full list of properties is available for inspection at Diocesan House.
6. The Board, acting as Custodian Trustee, also holds freehold land and buildings on behalf of parochial church councils. No value can be assigned to these properties which are not included in these accounts.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

**7. Investments (held as fixed assets) (as restated)**

	Unrestricted	Parsonages Capital	Restricted Diocesan Stipends Capital	Total
<i>At valuation:</i>	£	£	£	£
<b>At 1 January 1994</b>	2,649,108	1,212,980	4,759,934	8,622,022
Additions	85,073	—	—	85,073
Disposals	(120,554)	—	—	(120,554)
Revaluation adjustments	(249,394)	(115,102)	(272,972)	(637,468)
<b>31 December 1994</b>	<u>2,364,233</u>	<u>1,097,878</u>	<u>4,486,962</u>	<u>7,949,073</u>

The corresponding historical cost figures are:

*At cost:*

<b>At 1 January 1994</b>	1,952,733	862,713	4,015,620	6,831,066
Additions	85,073	—	—	85,073
Disposals	(107,152)	—	—	(107,152)
<b>31 December 1994</b>	<u>1,930,654</u>	<u>862,713</u>	<u>4,015,620</u>	<u>6,808,987</u>

Restricted securities represent investments of the Diocesan Stipends Capital Account and Parsonages Capital Account which are held by the Church Commissioners as explained in note 13.

Unrestricted securities represent investments held for the Board's general purpose.

The Board, acting as Custodian Trustee, also holds investments to the value of £11,183,938 (1993 : £12,101,862) as at 31 August 1994 on behalf of other bodies. The historical cost of these investments is £5,803,805 (1993 : £6,394,785). These investments are not included in these accounts.

**8. Debtors**

	1994	1993
	£	As restated £
<b>Amounts fall due within one year</b>		
Loans to Parishes	85,750	87,350
Parochial Share (Note 3c)	466,717	294,710
Other debtors	260,165	249,371
	<u>812,633</u>	<u>631,431</u>
<b>Amounts falling due after more than one year</b>		
Loans to Parishes	186,100	185,350
	<u>998,733</u>	<u>816,781</u>

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

9. <b><u>Short Term Investments</u></b>	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>As restated £</b>
CBF Deposits	507,302	402,401
Diocesan Pastoral Account	595,623	393,792
Diocesan Stipends Capital Account	411,339	438,288
Funds held by Church Commissioners re: temporary housing schemes	579,496	1,004,468
	<hr/> 2,093,760 <hr/>	<hr/> 2,238,949 <hr/>
10. <b><u>Creditors:</u></b> amounts falling due within one year	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>As restated £</b>
Loans from Central Board of Finance (note 11)	6,700	6,700
Other creditors	22,586	24,132
Receipts in Advance	14,825	44,095
	<hr/> 44,111 <hr/>	<hr/> 74,927 <hr/>
11. <b><u>Creditors:</u></b> amounts falling due after one year	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>As restated £</b>
Loans from Central Board of Finance	11,000	17,700
Equity Sharing Loans (interest payable by quarterly instalments)	554,654	554,654
Permanent Housing Loan (repayable by quarterly instalments over 10 to 25 years, interest after at 5% or VCR on reducing capital balance)	394,527	481,879
Temporary Housing Loans (repayable on demand and subject to interest at the Church Commissioners variable debit rate)	218,006	410,754
	<hr/> 1,178,187 <hr/>	<hr/> 1,464,987 <hr/>

The Central Board of Finance of the Church of England has provided loans, out of the Deposit Fund set up under the Church Funds Investment Measure of 1958, to finance loans to parishes for the repair and improvement of church buildings. These loans are repayable normally over five years and exceptionally over ten years at a rate of interest set annually in advance. 1995 – 7.62%; 1994 – 5.6%; 1993 – 7.55%.

An Equity Sharing Loan is repayable in the event that the specific property to which it relates is either sold or ceases to be used for the purpose for which it was acquired.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

12. <u>Provisions for Future Expenditure</u>	1994	1993
	£	£
Motor Vehicles	18,304	17,033
Office Decoration	3,099	3,099
New Equipment	(17,328)	(15,164)
Other	2,878	2,878
	<hr/> 6,953 <hr/>	<hr/> 7,846 <hr/>

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

13a. Funds employed	<u>Unrestricted Funds</u>		<u>Restricted Funds</u>		<u>Total</u>	
	<u>General Fund</u>	<u>Designated Funds</u> (see note 14)	<u>Diocesan Pastoral Account</u>	<u>Diocesan Stipends Capital Account</u>	<u>Parsonages Capital</u>	<u>Property Fund</u>
	£	£	£	£	£	£
<b>At 1 January 1994</b>						
As originally stated	4,988,954	-	-	-	-	-
Transfer/Reallocation	(3,378,889)	2,487,645	-	28,531	862,713	-
Prior year adjustments:-						
(see note 3b)						
Introduced	4,684,537	(5,656)	398,792	5,198,222	-	43,893,194
Revaluations	46,866	649,682	-	-	350,267	-
	<u>4,684,537</u>	<u>(5,656)</u>	<u>398,792</u>	<u>5,198,222</u>	<u>-</u>	<u>43,893,194</u>
As restated	6,341,468	3,131,671	398,792	5,226,753	1,212,980	43,893,194
Surplus for the year	28,559	161,275	36,021	(388)	-	899
Revaluations:- (see note 7)						
Investments	(53,167)	(196,227)	-	(272,972)	(115,102)	-
Transfer	67,772	-	160,810	(25,961)	-	(637,468)
	<u>(53,167)</u>	<u>(196,227)</u>	<u>160,810</u>	<u>(25,961)</u>	<u>-</u>	<u>-</u>
<b>At 31 December 1994</b>	<u>6,384,632</u>	<u>3,096,719</u>	<u>595,623</u>	<u>4,927,432</u>	<u>1,097,878</u>	<u>£59,793,756</u>
Restricted Funds:						

The Diocesan Pastoral Account represents the proceeds of sale of redundant churches and parsonages which have not yet been applied to the purposes permitted by the Pastoral Measure 1983.

The Diocesan Stipends Capital Account represents the proceeds of sale of Glebe and parsonages and gifts to the fund. The fund generates income for the payment of stipends and can only be invested or applied to the capital purposes permitted by the Endowments and Glebe Measures 1976 and the Miscellaneous Provisions Measure 1992.

The Parsonages Capital Account was set up by the Church Commissioners under the Endowments and Glebe Measure 1976. Only the income earned by the fund can be utilised by the Board.

The Property fund represents the net current value of clergy housing.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

13b. Analysis of Net assets between the Funds

	<u>Unrestricted Funds</u>		<u>Restricted Funds</u>			<u>Total</u>
	<u>General Fund</u>	<u>Designated Funds</u> (see note 14)	<u>Diocesan Pastoral Account</u>	<u>Diocesan Stipends Account</u>	<u>Parsonages Capital</u>	<u>Property Fund</u>
	£	£	£	£	£	£
Tangible Fixed Assets	4,751,975	-	-	-	-	44,279,163
Investments	644,300	1,719,933	-	4,486,962	1,097,878	-
Net Current Assets	995,310	1,387,786	595,623	440,470	-	579,496
Long Term Liabilities	-	(11,000)	-	-	-	(1,167,187)
Provisions	(6,953)	-	-	-	-	(6,953)
	<u>6,384,632</u>	<u>3,096,719</u>	<u>595,623</u>	<u>4,927,432</u>	<u>1,097,878</u>	<u>43,691,472</u>
						<u>59,793,756</u>

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

**14. Designated Funds**

	Balance B/fwd £	Surplus / (Deficit) for year £	Transfers £	Investment Revaluation Balance £	Balance C/fwd £
Maintenance of Ministry	1,677,231	101,506	(15,000)	(164,314)	1,599,423
Clergy Housing – Parsonages	182,275	46,468	–	–	228,743
Training of Ordinands	72,859	(1,440)	–	(13,186)	58,233
New Church Buildings	213,656	22,909	–	–	236,565
Church Building Repairs	98,439	(1,871)	–	(293)	96,275
Church Building Loan Fund	434,970	18,103	–	–	453,073
Urban Priority Areas	132,489	(38,410)	15,000	–	109,079
Clergy Widows & Dependants	162,176	1,749	–	(16,299)	147,626
Clergy Marriage Breakdown	5,312	699	–	(2,135)	3,876
Appropriation Account	152,264	11,562	–	–	163,826
	<u>3,131,671</u>	<u>161,275</u>	<u>–</u>	<u>(196,227)</u>	<u>3,096,719</u>

**15. Capital Commitments**

Loans and grants approved by the board at 31 December 1994 were as follows:–

	£
New Church Building Fund	31,500
Church Building (Repairs)	10,250
Diocesan Loan Fund	105,000
	<u>146,750</u>

**16. Pensions**

- a) The board participates in the Church of England Defined Benefits Scheme section of the Church Workers Pension Fund (the Fund), a pension scheme administered by the Church of England Pensions Board to provide benefits to lay employees based on final pensionable salaries. The assets of the Fund are held separately from those of the Employer.

The Pension costs for the year shown in these financial statements are equal to the contributions paid by the Employer. The contributions were assessed by a qualified actuary using the Projected Unit Credit method of valuation.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

**16. Pensions Cont/d..**

A full valuation of the Fund was undertaken as at 31 December 1992 and the actuarial position was re-assessed. The principal assumptions were that the return on assets would be 2% per annum higher than the increase in pensionable salaries and 4.5% per annum higher than the increases to pensions in payment. As at 31 December 1992 the Employer's share of the value of the assets amounted to £117,527. Their contribution rate was assessed at that date, and the Employer's section was shown to be in deficiency. The contributions allowed for this deficiency to be amortised over the next 5 years as advised by the Fund's actuaries.

Pensions in payment under this arrangement are entitled to annual increases of the lesser of 5% per annum or the rise in the RPI. An increase of 1.8% was granted with effect from 1 January 1993.

A further valuation of the Fund will be undertaken no later than the 31 December 1995.

- b) The board also participates in another defined benefits scheme, administered by the Ecclesiastical Insurance Group to provide benefits to lay employees based on final pensionable salaries. The assets of this fund are held separately from those of the employer.

The pension costs for the year shown in these financial statements are equal to the contributions paid by the employer.

No details are currently available from the Ecclesiastical Insurance Group currently as to the funding of the scheme, its actuarial variation and any deficiencies the board may have to contribute.



**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1994 CONT/D..**

**17. Notes to Cash flow Account**

**a. Reconciliation of Operating Deficit to net**

<b>Cashflow from Operating Activities</b>	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>
Surplus/(Deficit) per Statement of Financial Activities	226,366	(53,511)
Profit on sale of Investment	8,266	(2,499)
Dividends capitalised	(36,825)	(38,452)
Grants made:		
Mercer House	–	(14,000)
(Increase) in other Debtors	(182,802)	(347,716)
(Decrease) in Creditors and Accruals	(30,816)	(74,614)
(Decrease) in Provisions	(893)	(3,376)
	<u>(16,704)</u>	<u>( 534,168)</u>

**b. Analysis of Changes in Cash and Cash Equivalents During the Year**

	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>
Balance at 1 January 1994	3,020,129	2,159,180
Funds Introduced	–	1,836,548
Net Cash Inflow/(Outflow)	23,934	(975,599)
Balance at 31 December 1994	<u>£ 3,044,063</u>	<u>£ 3,020,129</u>

**c. Analysis of the balances of Cash and Cash Equivalents as shown on the balance sheet**

	<b>At 1 January 1994</b>	<b>At 31 December 1994</b>	<b>Movement During Year</b>
Cash at Bank and in Hand	781,180	950,303	169,123
Short Term Investments	2,238,949	2,093,760	(145,189)
	<u>3,020,129</u>	<u>3,044,063</u>	<u>23,934</u>

**d. Analysis of Changes in Financing during Year**

<u>during Year</u>	Loans from CBF	Church Permanent	Loans from Commissioners Temporary	Equity	Total
Balance at 1 January 1994	24,400	481,879	410,754	554,654	1,471,687
Cash (Outflow) from financing	(6,700)	(87,352)	(192,748)	–	(286,800)
Balance at 31 December 1994	17,700	394,527	218,006	554,654	1,184,887