

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**

**FINANCIAL STATEMENTS**

**31 DECEMBER 1995**

**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 1995**

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# THE EXETER DIOCESAN BOARD OF FINANCE LIMITED

## Company Information

Incorporated in England on 27 November 1922

Number	186001
DIRECTORS	See page 2
SECRETARY	Reverend R R Huddleson
REGISTERED OFFICE	Diocesan House Palace Gate Exeter
BANKERS	National Westminster Bank Plc 59 High Street Exeter
SOLICITORS	Michelmores 18 Cathedral Yard Exeter
AUDITORS	Bishop Fleming Chartered Accountants 1 Barnfield Crescent Exeter

## THE EXETER DIOCESAN BOARD OF FINANCE LIMITED

### List of Directors

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 (until July 1995)  
Revd R L Chamberlain (from July 1995)  
Revd A K F Macey

#### Barnstaple

Revd R Shorter  
Revd W G Blakey  
Revd R D Simpson

#### Plymouth

Revd R J Carlton  
Revd R J Hill  
Revd Preb S Philpott

### Lay Representatives

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

### Nominated by the Bishop

Revd A R Gibson  
Mr G C B Kellagher  
Mr A J Hutchinson  
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 1995.

### **Governing Document**

The company is governed by its Memorandum and Articles of Association, and was incorporated under the Companies Act 1908 to 1917.

### **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 for parochial and other trustees, boards, councils and committees within the diocese (see notes 3h, 6 and 7).

### **Review**

The Board recorded a surplus on unrestricted funds of £192,805 (1994:£189,834) and a deficit on restricted funds of £6,740 (1994: Surplus £36,532) for the year, both of which have been added to retained reserves; this is before transfers, and excludes £465,480, being funds introduced which were originally set aside to build a school at Devonport.

### **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 2 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..**

#### **Advisors**

The advisors to the company are listed on page 1 of these financial statements.

#### **Presentation of Accounts**

The accounts have been prepared in accordance with Statement of Recommended Practice (SORP) 2, "Accounting by Charities", issued in October 1995.

Last years accounts were substantially revised to account for the draft SORP and Financial Reporting Standard 5, "Reporting Substance of Transactions". This had a major financial effect last year, in that it introduced assets significantly controlled by the Church Commissioners for the first time.

It must be emphasised again that most of the restricted funds continue to be under the jurisdiction of the Church Commissioners and therefore capital is not available for the general purposes of the board.

#### **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.

#### **Funds**

The board considers that it has adequate and available assets on all the individual restricted funds and unrestricted funds to fulfil the obligations of each fund. The positions resulting from revaluations of fixed assets in the individual funds are included in notes 13 to 15.

#### **Fixed Assets**

The principal changes in fixed assets are disclosed in note 6, to the accounts.

#### **Monies introduced re: Devonport School**

As agreed by the Diocesan Synod in November 1995, funds originally set aside to build a new school at Devonport, have been transferred back to the board and are shown as an exceptional item in the accounts.

# 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 give 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



18 July 1996

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 7 to 23 which have been prepared under the accounting policies set out on pages 12 and 13.

**Respective Responsibilities of Directors and Auditors**

As described in the directors' report on page 5, 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.

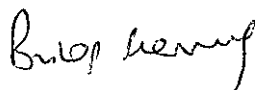
**Basis of Opinion**

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 1995 and of its surplus and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



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

18 July 1996



**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 1995**

	<b>Note</b>	<b>1995</b>	<b>1994</b>
Total income from continuing operations		6,350,935	6,009,226
Total expenditure from continuing operations		<u>6,164,870</u>	<u>5,774,594</u>
Net income for the year before transfers and investment asset disposals	4	186,065	234,632
Transfer to endowment funds		<u>-</u>	<u>-</u>
Net income before investment asset disposals		186,065	234,632
Loss on disposal of fixed asset investments		<u>-</u>	<u>(8,266)</u>
<b>Net Income for the Year before exceptional item</b>		186,065	226,366
<b>Exceptional item</b>			
Release of Funds on Devonport School		<u>465,480</u>	<u>-</u>
<b>Net Income for the Year</b>		<u><u>651,545</u></u>	<u><u>226,366</u></u>

- Total income comprises £6,301,841 (1994 – £5,949,391) for unrestricted funds and £49,094 (1994 – £59,835) for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities.
- Detailed analysis of the expenditure is provided in the Statement of Financial Activities.
- Net income before investment disposals for the year of £186,065 (1994 – £234,632) comprises £192,805 (1994 – £198,100) net income from unrestricted funds less £6,740 (1994 – £36,532 surplus) net income from restricted funds, as shown in the Statement of Financial Activities.
- The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on pages 8 and 9 which provides full information on the movements during the year on all funds.
- The exceptional item represents monies originally designated by the board for a new school at Devonport; which have returned to the Board on the abandonment of the project. The monies are to be used for continuing activities.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 1995**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 1995 £	Total Funds 1994 £
<b><u>Incoming Resources</u></b>					
Parochial Share	3b	3,907,360	–	3,907,360	3,595,494
Rents Receivable		542,947	3,750	546,697	517,862
Donations		71,412	–	71,412	75,242
Interest and Dividends	3c	670,548	43,939	714,487	640,708
Contributions towards Stipends		63,992	–	63,992	75,465
Assigned Fees		312,328	–	312,328	226,418
Church Commissioners	3d	691,858	–	691,858	837,350
Miscellaneous		5,007	1,405	6,412	3,862
		<hr/> 6,265,452	<hr/> 49,094	<hr/> 6,314,546	<hr/> 5,972,401
<b><u>General Capital Fund</u></b>					
Interest and Dividends		36,389	–	36,389	36,825
		<hr/> 36,389	<hr/> –	<hr/> 36,389	<hr/> 36,825
<b>Total Incoming Resources</b>		<hr/> 6,301,841	<hr/> 49,094	<hr/> 6,350,935	<hr/> 6,009,226
<b><u>Resources Expended</u></b>					
Maintenance of the Ministry:–					
Stipends, grants, administration and Dignitaries' expenses		4,334,209	–	4,334,209	4,003,123
Ordinands – central apportionment		152,400	–	152,400	188,260
Ministerial Training		21,230	–	21,230	19,586
Lay training		21,473	–	21,473	9,229
Diocesan Readers		9,185	–	9,185	5,775
		<hr/> 4,538,497	<hr/> –	<hr/> 4,538,497	<hr/> 4,225,973
Mortgage Interest and DPA expenses		–	28,392	28,392	22,663
Clergy and Board Housing		639,836	–	639,836	612,592
Married Ordinands' Grants		35,269	–	35,269	55,816
Diocesan Director of Ordinands		6,380	–	6,380	6,208
Education and Outreach		303,955	–	303,955	296,744
Central & Diocesan Administration		449,287	–	449,287	436,828
Church Buildings		40,238	–	40,238	51,208
Priority Areas		38,031	–	38,031	53,465
Clergy Widows		764	–	764	7,195
Clergy Marriage Breakdown		–	488	488	432
Miscellaneous and Contingencies		10,344	–	10,344	5,470
Grant to Society of St Martha and St Mary		10,000	–	10,000	–
Loss on Sale of Fixed Assets		36,435	26,954	63,389	–
		<hr/> 6,109,036	<hr/> 55,834	<hr/> 6,164,870	<hr/> 5,774,594
<b>Total Resources Expended</b>		<hr/> 6,109,036	<hr/> 55,834	<hr/> 6,164,870	<hr/> 5,774,594
<b>Net Incoming/(Outgoing) resources</b>		<hr/> 192,805	<hr/> (6,740)	<hr/> 186,065	<hr/> 234,632

Continued../

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES CONT/D..**  
**FOR THE YEAR ENDED 31 DECEMBER 1995**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 1995 £	Total Funds 1994 £
<b>Net Incoming/(Outgoing) resources before transfers</b>		192,805	(6,740)	186,065	234,632
Transfers		(238,887)	238,887	—	—
<b>Net Income/(Outgoing) resources for the year</b>		(46,082)	232,147	186,065	234,632
Realised losses on investment funds		—	—	—	(8,266)
Unrealised gains/(losses) on investment assets	7	244,529	452,879	697,408	(637,468)
<b>Net movement in funds</b>		198,447	685,026	883,473	(411,102)
Funds introduced originally Set aside for Devonport School		465,480	—	465,480	—
Balances brought forward at 1 January 1995		9,481,351	50,312,405	59,793,756	60,204,858
<b>Balance carried forward at 31 December 1995</b>	13	10,145,278	50,997,431	61,142,709	59,793,756

# THE EXETER DIOCESAN BOARD OF FINANCE LIMITED


## BALANCE SHEET AT 31 DECEMBER 1995

		1995		1994	
		£	£	£	£
	<u>Notes</u>				
<b><u>Fixed assets</u></b>					
Tangible Assets	6	48,987,975		49,031,138	
Investments	7	8,915,609		7,949,073	
		<u>57,903,584</u>		<u>56,980,211</u>	
<b><u>Current assets</u></b>					
Debtors	8	851,727		998,733	
Short term deposits	9	1,907,006		2,093,760	
Cash at Bank and in Hand		1,583,482		950,303	
		<u>4,342,215</u>		<u>4,042,796</u>	
<b><u>Creditors: Amounts</u></b>					
falling due within one year	10	<u>71,975</u>		<u>44,111</u>	
<b><u>Net current assets</u></b>		<u>4,270,240</u>		<u>3,998,685</u>	
<b><u>Total assets less current liabilities</u></b>		<u>62,173,824</u>		<u>60,978,896</u>	
<b><u>Creditors: Amounts</u></b>					
falling due after one year	11	(1,001,091)		(1,178,187)	
<b><u>Provisions for liabilities and charges</u></b>					
Future Expenditure	12	<u>(30,024)</u>		<u>(6,953)</u>	
<b><u>Net assets</u></b>	16	<u><u>61,142,709</u></u>		<u><u>59,793,756</u></u>	
<b><u>Funds</u></b>					
Restricted	15	50,997,431		50,312,405	
Unrestricted:-					
Designated	14	7,962,268		3,096,719	
General		<u>2,183,010</u>		<u>6,384,632</u>	
	13	<u><u>61,142,709</u></u>		<u><u>59,793,756</u></u>	

The financial statements on pages 7 to 23 were approved by the board of directors  
on 18 July 1996



A J Hutchinson, Chairman

 Ven A F Tremlett, Vice Chairman

# THE EXETER DIOCESAN BOARD OF FINANCE LIMITED

## CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 1995

		1995	1994
		£	£
	<u>Notes</u>		
Net Cashflow from operating activities	19a	296,178	(16,704)
<b>Investing Activities</b>			
Payments to acquire Investments		(232,740)	(48,248)
Receipts from sale of Investments		-	112,288
Payments to acquire Fixed Assets		(1,440,590)	(625,619)
Receipts from sale of Fixed Assets		1,540,690	763,339
Contribution received from Parishes for Property		6,453	124,828
Loans granted to Parishes		(51,000)	(105,000)
Loans repaid by Parishes		109,750	105,850
Loan granted to South West Ministerial Training Course		(65,000)	-
Monies received which were originally setaside for Devonport School		465,480	-
		<u>333,043</u>	<u>327,438</u>
Net cash inflow before financing		629,221	310,734
<b>Financing</b>			
Loans repaid to CBF		(14,700)	(6,700)
Loans repaid to Church Commissioners		(168,096)	(280,100)
		<u>(182,796)</u>	<u>(286,800)</u>
Increase in cash & cash equivalents	19b	<u>£446,425</u>	<u>£ 23,934</u>

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1995**

**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 for the headings and sub headings in 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) 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 1996 and 31 March 1996 in respect of 1995 assessments.
- c) Investment income arising from stocks and shares is only brought into account when received.
- d) Church Commissioners income represents amounts allocated by the Church Commissioners to the Diocese.
- 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. (see note 12).

Provision is also made on income arising from the sale proceeds of the former vicarage at Cornwood which is subject to reverter claims. The capital element is held in the Diocesan Stipend Fund Capital Account.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1995 CONT/D..**

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

- 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.
- h) 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 1995.

**i) 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.

**j) Investments**

Investments are included at valuation in the accounts, based on their mid-market value on 31 December 1995.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1995 CONT/D..**

4.	<b><u>Surplus for the Year</u></b>	<b>1995</b> £	<b>1994</b> £
	This is stated after charging:-		
	Auditors' remuneration	8,000	7,500
		<hr/>	<hr/>
5.	<b><u>Staff Costs and Employee Information</u></b>	<b>1995</b> £	<b>1994</b> £
	Total staff costs, including directors, are as follows:		
	Wages and Salaries	171,305	168,028
	Social Security Costs	11,000	11,645
	Other Pension Costs (see note 18)	15,490	17,393
		<hr/>	<hr/>
		197,795	197,066
		<hr/>	<hr/>
	The average weekly number of employees, including directors, during the year was made up as follows:-		
	Administration staff	13	13
		<hr/>	<hr/>

The board also met the stipends of 290 parochial clergy serving in the diocese (1994 - 290). These payments are included in the Maintenance of the Ministry total shown in the Statement of Financial Activities.

The directors receive no remuneration for their services as directors other than the reimbursement of out of pocket expenses.



**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1995 CONT/D..**

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

	<b>DBF Properties</b>	<b>Benefice Houses</b>	<b>Team Vicarages</b>	<b>ARC Properties</b>	<b>Clergy Widows</b>	<b>Equity Shared Properties with Parishes</b>	<b>Equity Shared Properties with Church Commissioners</b>	<b>Glebe Investments Properties</b>	<b>Other Glebe Properties</b>	<b>Total</b>
	£	£	£	£	£	£	£	£	£	
<b>At 1 January 1995</b>	4,751,975	29,427,000	6,483,000	899,975	55,000	455,563	733,625	3,425,000	2,800,000	49,031,138
Addition	82,466	843,323	397,065	-	-	117,736	-	-	-	1,440,590
Disposals	(357,500)	(869,000)	(228,000)	-	-	(22,800)	-	-	-	(1,477,300)
Contributions from Parishes	-	-	-	-	-	(6,453)	-	-	-	(6,453)
<b>At 31 December 1995</b>	4,476,941	29,401,323	6,652,065	899,975	55,000	544,046	733,625	3,425,000	2,800,000	48,987,975
Historical Cost	-	-	-	-	-	-	-	3,383,501	-	-

**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 officers. The directors do not believe that any adjustment to restate these figures to valuations at 31 December 1995 would be significant.
4. The original historical cost of property other than the 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 1995 CONT/D..**

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

	<b>Parsonages Capital £</b>	<b>Diocesan Stipends Capital £</b>	<b>Other £</b>	<b>Total £</b>
<i>At valuation:</i>				
<b>At 1 January 1995</b>	1,097,878	4,486,962	2,364,233	7,949,073
Additions	-	-	269,128	269,128
Revaluation adjustments	137,948	311,709	247,751	697,408
<b>31 December 1995</b>	<u>1,235,826</u>	<u>4,798,671</u>	<u>2,881,112</u>	<u>8,915,609</u>

The corresponding historical cost figures are:

*At cost:*

<b>At 1 January 1995</b>	862,713	4,015,620	1,930,681	6,809,014
Additions	-	-	269,129	269,129
<b>31 December 1995</b>	<u>862,713</u>	<u>4,015,620</u>	<u>2,199,810</u>	<u>7,078,143</u>

Other securities represent investments held for the Board's general purpose and designated funds.

The Board, acting as Custodian Trustee, also holds investments to the value of £11,729,251 (1994 : £11,183,938) as at 31 August 1995 on behalf of other bodies. The historical cost of these investments is £6,263,811 (1994 : £5,803,805). These investments are not included in these accounts.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1995 CONT/D..**

<b>8. Debtors</b>	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>
<b>Amounts fall due within one year</b>		
Loans to Parishes	82,800	85,750
Parochial Share (Note 3b)	409,323	466,717
Other debtors	164,304	260,166
	<hr/>	<hr/>
	656,427	812,633
<b>Amounts falling due after more than one year</b>		
Loans to Parishes	130,300	186,100
Loan to South West Ministerial Training Course	65,000	-
	<hr/>	<hr/>
	851,727	998,733
	<hr/>	<hr/>
<b>9 Short Term Deposits</b>	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>
CBF Deposits	1,273,571	507,302
Diocesan Pastoral Account	5,673	595,623
Diocesan Stipends Capital Account	402,268	411,339
Cash held by Church Commissioners re: temporary housing schemes	225,494	579,496
	<hr/>	<hr/>
	1,907,006	2,093,760
	<hr/>	<hr/>
<b>10. Creditors: amounts falling due within one year</b>	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>
Loans from Central Board of Finance (note 11)	1,000	6,700
Other creditors	33,046	22,586
Receipts in Advance	37,929	14,825
	<hr/>	<hr/>
	71,975	44,111
	<hr/>	<hr/>

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1995 CONT/D..**

11. <b><u>Creditors:</u></b> amounts falling due after one year	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>
Loans from Central Board of Finance	2,000	11,000
Equity Sharing Loans (interest payable by quarterly instalments)	554,644	554,654
Permanent Housing Loans (repayable by quarterly instalments over 10 to 25 years, interest at 5% or VDR on reducing capital balance)	229,922	394,527
Temporary Housing Loans (repayable on demand and subject to interest at the Church Commissioners VDR)	214,525	218,006
	<hr/> 1,001,091 <hr/>	<hr/> 1,178,187 <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 (1996 – 7.00%; 1995 – 7.62%).

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.

Permanent Housing Loans are secured on the property to which they relate.

12. <b><u>Provisions for Future Expenditure</u></b> (see note 3f)	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>
Motor Vehicles	22,189	18,304
Office Redecoration	1,853	3,099
Office Equipment	(8,879)	(17,328)
Cornwood	11,983	–
Other	2,878	2,878
	<hr/> 30,024 <hr/>	<hr/> 6,953 <hr/>

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1995 CONT/D..**

**13. Changes in Resources available**

	<b>General Fund</b>	<b>Designated Funds (see note 14)</b>	<b>Restricted Funds (see note 15)</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 1995</b>	6,384,632	3,096,719	50,312,405	£59,793,756
Surplus/deficit for the year	36,389	156,416	(6,740)	186,065
Revaluations:- (see note 7)				
Investments	44,896	199,633	452,879	697,408
Transfer of Properties	(4,751,975)	4,751,975	-	-
Transfer	3,588	(242,475)	238,887	-
Monies re Devonport School	465,480	-	-	465,480
<b>At 31 December 1995</b>	<u>2,183,010</u>	<u>7,962,268</u>	<u>50,997,431</u>	<u>61,142,709</u>

A balance of £465,480 capital representing monies originally set aside for Devonport School was transferred back to the board on 31 December 1995, and is shown in the accounts.

**14. Designated Funds**

	<b>Balance B/fwd</b>	<b>Surplus / (Deficit) for year</b>	<b>Transfers</b>	<b>Investment Revaluation</b>	<b>Balance C/fwd</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
These funds have been designated by the Board for specific uses as detailed below:-					
Maintenance of Ministry	1,599,423	134,497	-	154,703	1,888,623
Clergy Housing - Parsonages	228,743	13,326	-	-	242,069
Training of Ordinands	58,233	-	-	19,896	78,129
New Church Buildings	236,565	17,071	-	-	253,636
Church Building Repairs	96,275	2,228	-	442	98,945
Church Building Loan Fund	453,073	26,217	-	-	479,290
Urban Priority Areas	109,079	(28,031)	-	-	81,048
Clergy Widows & Dependants	147,626	8,273	-	24,592	180,491
Clergy Marriage Breakdown	3,876	-	(3,876)	-	-
Appropriation Account	163,826	19,270	-	-	183,096
Board Properties	-	(36,435)	4,513,376	-	4,476,941
	<u>3,096,719</u>	<u>156,416</u>	<u>4,509,500</u>	<u>199,633</u>	<u>7,962,268</u>

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1995 CONT/D..**

**15. Restricted Funds**

The income funds of the board include restricted funds, the use of which is subject to either legislation or donor imposed constraints. They comprise the following unexpended balances held on trust for specific purposes:-

	<b>Balance B/fwd</b>	<b>Surplus/ (Deficit)</b>	<b>Transfer</b>	<b>Investment Revaluation</b>	<b>Balance C/fwd</b>
Diocesan Pastoral Account	595,623	19,524	164,309	-	779,456
Diocesan Stipends Capital Account	4,927,432	-	(9,671)	311,709	5,229,470
Parsonages Capital Account	1,097,878	-	-	137,948	1,235,826
Property Fund	43,691,472	(26,954)	80,373	-	43,744,891
Clergy Marriage Breakdown	-	690	3,876	3,222	7,788
	<u>50,312,405</u>	<u>(6,740)</u>	<u>238,887</u>	<u>452,879</u>	<u>50,997,431</u>

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 Clergy Marriage Breakdown Fund represents funds provided by the Board for the support of clergy families following marriage breakdown.

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1995 CONT/D..**

16. Analysis of Net assets between the Funds

	<u>Unrestricted Funds</u>		<u>Restricted Funds</u>				<u>Total</u>	
	←	→						
	General Fund	Designated Funds (see note 14)	Diocesan Pastoral Account	Stipends Account	Diocesan Capital Account	Clergy Marriage Breakdown	Parsonages Capital	Property Fund
	£	£	£	£	£	£	£	£
Tangible Fixed Assets	-	4,476,941	-	-	-	-	-	44,511,034
Investments	958,324	1,895,957	-	4,798,671	26,831	1,235,826	-	8,915,609
Net Current Assets	1,254,710	1,591,370	779,456	430,799	(19,043)	232,948	-	4,270,240
Long Term Liabilities	-	(2,000)	-	-	-	(999,091)	-	(1,001,091)
Provisions	(30,024)	-	-	-	-	-	-	(30,024)
	<u>2,183,010</u>	<u>7,962,268</u>	<u>779,456</u>	<u>5,229,470</u>	<u>7,788</u>	<u>1,235,826</u>	<u>43,744,891</u>	<u>61,142,709</u>

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1995 CONT/D..**

**17. Capital Commitments**

Loans and grants approved by the board at 31 December 1995 were as follows:-

	£
New Church Building Fund	15,000
Church Building (Repairs)	9,750
Diocesan Loan Fund	80,000
	<hr/>
	104,750
	<hr/>

**18. 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.

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 2.2% was granted with effect from 1 January 1995.

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 1995 CONT/D..**

**19. Notes to Cash flow Account**

**a. Reconciliation of Operating Surplus to net Cashflow from Operating Activities**

	1995	1994
	£	£
Changes in resources before revaluation	186,065	226,366
Gain on sale of Investment	—	8,266
Dividends capitalised	(36,389)	(36,825)
Loss on disposal of property	(63,389)	—
Decrease/(Increase) in other Debtors	153,256	(182,802)
Increase/(Decrease) in Creditors and Accruals	33,564	(30,816)
Increase/(Decrease) in Provisions	23,071	(893)
	<u>296,178</u>	<u>(16,704)</u>

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

	1995	1994
	£	£
Balance at 1 January 1995	3,044,063	3,020,129
Net Cash Inflow	446,425	23,934
	<u>£ 3,490,488</u>	<u>£ 3,044,063</u>

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

	At 1 January 1995	Movement During Year	At 31 December 1995
Cash at Bank and in Hand	950,303	633,179	1,583,482
Short Term Investments	2,093,760	(186,754)	1,907,006
	<u>3,044,063</u>	<u>446,425</u>	<u>3,490,488</u>

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

	Loans from CBF	Loans from Church Permanent	Loans from Commissioners Temporary	Equity	Total
Balance at 1 January 1995	17,700	394,527	218,006	554,654	1,184,887
Cash (Outflow) from financing(14,700)	(164,605)	(3,481)	(10)	—	(182,796)
	<u>3,000</u>	<u>229,922</u>	<u>214,525</u>	<u>554,644</u>	<u>1,002,091</u>