

**THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**

**ANNUAL REPORT**

**AND CONSOLIDATED FINANCIAL STATEMENTS**

**for the year ended 31 December 2022**

**Company limited by guarantee (No. 00186001)  
Registered charity (No. 249798)**



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#### **Key to abbreviations**

EDBF	The Exeter Diocesan Board of Finance Limited
EDPS	EDPS Limited – the Board's Trading Company
SOFA	Statement of Financial Activities
SORP	Charities SORP (Statement of Recommended Practice) 'Accounting and Reporting by Charities' 2019
PCC	Parochial Church Council
MC	Mission Community

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**OUR VISION**

*'I am the vine, you are the branches. Those who abide in me and I in them bear much fruit.'*  
John 15.5

**As God's pilgrim people, we seek to share in the mission of God as revealed in the life, death and resurrection of Jesus Christ by:**

**Growing in prayer**

We want to abide in Christ and live our lives close to God. This means taking risks as we become more honest with ourselves and more honest with God. Prayer opens up deep places within us to God's grace, which is why it is such a life-giving activity. Going deeper in prayer is essential if we are to witness to God's Kingdom and grow into the people God is calling us to be.

**Making new disciples**

A disciple is someone who follows Jesus Christ. With Christ as our companion and guide, we can travel through life differently and invite others to share in the adventure. We want to be more faithful in our discipleship and allow God to shape our priorities and values. The gospel is good news but, if we are to bring more people to Christ, we need to find new ways of telling the story, of explaining our faith and giving a reason for the hope that is in us.

**Serving the people of Devon with joy**

We want to be ambassadors for Christ, making a difference in the world and witnessing to God's love and justice, especially in the communities where we live and in our schools and workplaces. Working in partnership with others who are transforming lives, we seek to address the global issues confronting our generation so that all may flourish.

+Robert Exon

Bishop of Exeter

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**OUR VALUES**

**Generosity of Spirit**

We seek God's face in all, believing that everyone is made in the image of God. Preferring others and not thinking too highly of ourselves, we are compassionate, approachable and build trusting relationships.

**Wisdom**

We want our priorities to reflect scripture and our Christian values. Listening to voices unlike our own, we seek the wisdom of the Holy Spirit when making decisions after open and informed discussion.

**Respect**

We welcome those who are different from us and show heartfelt respect in the way we speak with one another, treating all people with the dignity they deserve.

**Team Working**

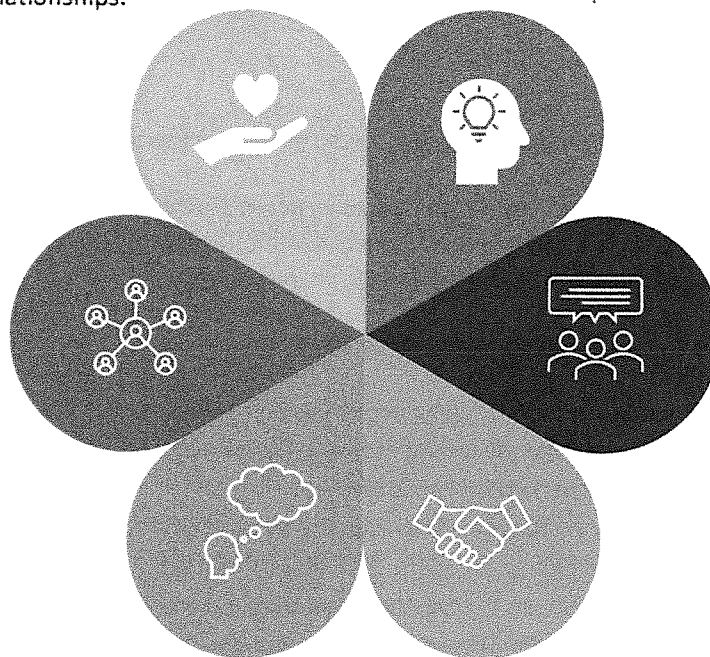
We collaborate and work with others to achieve the best outcomes for those we serve and support. We are positive, flexible and constructive, releasing others to use their gifts.

**Openness**

We open our hearts and minds without judgement so that we learn from God and one another and allow others to challenge us.

**Honesty**

Our principles are rooted in our Christian faith. We seek to be people of integrity: fair, responsible, and consistent in all we do. We speak honestly with others and about them.



**Love ✦ Joy ✦ Peace ✦ Patience ✦ Kindness ✦ Generosity  
Faithfulness ✦ Gentleness ✦ Self-Control  
Our GROWTH Values are rooted in the Fruit of the Spirit (Galatians 5.22)**

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The trustees, who are also directors for the purposes of company law, present their annual report, together with the audited consolidated financial statements, for the year ended 31 December 2022.

The directors/trustees are the same and in signing as Trustees, they are offering the strategic report sections in their capacity as directors.

The combined report satisfies the legal requirements for:

- A Directors Report of a charitable company and group;
- A Strategic Report under the Companies Act 2006; and
- A Trustees Annual Report under the Charities Act 2011.

## **LEGAL OBJECTS**

The objects of the Diocese of Exeter cover the entire county of Devon.

The principal object of The Exeter Diocesan Board of Finance (EDBF) is to promote, assist and advance the work of the Church of England in the Diocese of Exeter by acting as the financial executive of the Exeter Diocesan Synod.

EDBF has the following statutory responsibilities:

- i. The management of glebe property and investments to generate income to support the cost of stipends arising from the Endowment and Glebe Measure 1976 and the Church Property Measure 2018;
- ii. The repair of benefice houses as the Diocesan Parsonage Board under the Repair of Benefice Buildings Measure 1972 and the Church Property Measure 2018;
- iii. The management of investments and the custodian of assets relating to church schools under the Diocesan Board of Education Measure 1991; and
- iv. The custodian of permanent endowment and real property assets relating to trusts held by Incumbents and Archdeacons and by Parochial Church Councils as Diocesan Authority under the Incumbents and Churchwardens (Trusts) Measure 1964 and the Parochial Church Councils (Powers) Measure 1956.

The strategic priorities of EDBF are established by the Diocesan Synod in communication with Deanery Synods, PCCs, MCs, and the Bishop of Exeter. To this end, significant time and effort is committed to communication between and with these bodies, as well as with the church nationally, and to implementation of the outcomes. This includes a series of consultations on specific matters relating to the priorities for the forthcoming year and further ahead and taking forward the commitments arising from the Diocesan Synod and church nationally, including the diocesan budget.

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**STRATEGIC REPORT**

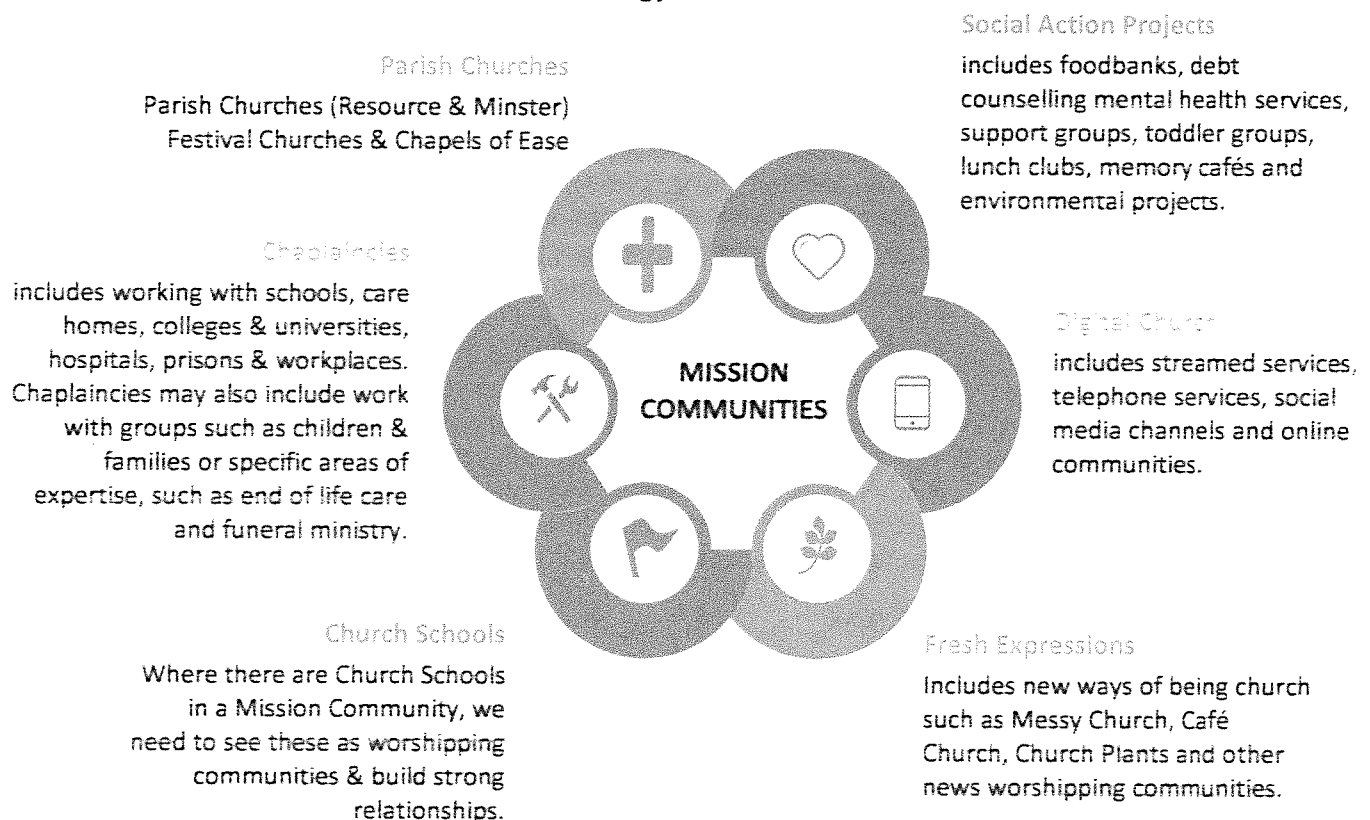
**STRATEGIC AIMS**

The main role of EDBF is to identify and manage the financial aspects of the provision of ministry within the Diocese so as to provide appropriate personnel and financial resources to assist the Diocesan Synod, Bishop's Council, Deaneries, Mission Communities and Parishes to further the mission and strategic priorities of the Diocese and in particular the strategic priorities set out in the Next Steps Vision Statement, which can be found on the diocesan website at [www.exeter.anglican.org](http://www.exeter.anglican.org).

**We seek to work together in Mission Communities**

We seek to fulfil our calling to love God and serve the people of Devon with joy through our network of Mission Communities. These are diverse, vibrant and sustainable groupings of parishes across the Diocese, which are mission-oriented, community-focused and locally-rooted. At the heart of this network are our parish churches, which for centuries have been places of prayer, pastoral care, evangelism and community service in Devon. Increasingly today, they are complemented by chaplaincies, social action projects and varied and creative new expressions of worship, the result of which is an exciting mixed ecology. Together, they speak of God's compassion and love, and ensure a Christian presence in every community across the county.

**Mission Communities Mixed Ecology**



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**STRATEGIC AIMS (continued)**

Communities are how human beings relate to one another. We discover both what we need from others and what we can offer so that all may flourish. As the Church, our Mission Communities help us to be more effective in our discipleship of Jesus Christ. They enable us to be flexible and to work across boundaries, breaking down a sense of isolation. They enable us to be more adept at responding to the variety of contexts and cultures of Devon, whether market towns, coastal communities, remote rural villages or large urban centres of population. They encourage the development of specialist and pioneering ministries, and support our work with schools, children, young people, families and older people in the community.

The pandemic has taught us that we can adapt and change if we want to. As we take stock, we need to be unflinchingly realistic about the challenges confronting us, matched by our trust in the Holy Spirit who leads us.

Not every parish can offer every aspect of the Church's life and ministry, but by joining in partnership with neighbouring churches and forming a MC we can work together more effectively.

There are 120 MCs across the Diocese of Exeter. We aim to be mission-oriented, community-focussed and locally rooted. As God's people we are called to live out our faith and continue the mission of God as revealed in the life, death and resurrection of Jesus Christ.

The strategy of the Trustees for achieving EDBF's priorities is to maintain a sound financial structure which will enable EDBF to resource ministry and mission.

Each year a request is made to every parish for contributions towards the Common Fund, the parish share scheme, which is designed to distribute the financial costs of the Diocese equitably. The Common Fund pays for a significant proportion of the clergy stipends, their pension and housing, clergy and lay training, safeguarding and central support, but it only works properly if each parish in each MC contributes regularly and fully. We support all PCCs and MCs in their financial administration to develop efficient ways to collect and manage resources including through the Parish Giving Scheme.

The Board reviews the financial plan on an annual basis, and this was most recently undertaken in May 2023, with the current plan covering the years 2024 to 2035. The plan requires stringent cost control across all areas of the budget and assumes an increase in the number of unpaid licensed ministers (self-supporting clergy and readers) and unpaid lay people involved in ministry, alongside a reduction in the number of stipendiary clergy working within the Diocese. One of the key aims is to increase vocations, including the number of self-supporting ministers deployed.

**OBJECTIVES FOR THE YEAR**

The strategic aims were established by the Diocesan Synod in March 2016 and refreshed in June 2019. The aims have informed and will continue to inform decisions and policies at all levels. The vision is what we would like the future to look like and the strategy sets out how we seek to work together in MCs to enable this to happen.



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**OBJECTIVES FOR THE YEAR (continued)**

It is vital that our planning continues to reflect our priorities, whilst continuing to meet our statutory and operational requirements.

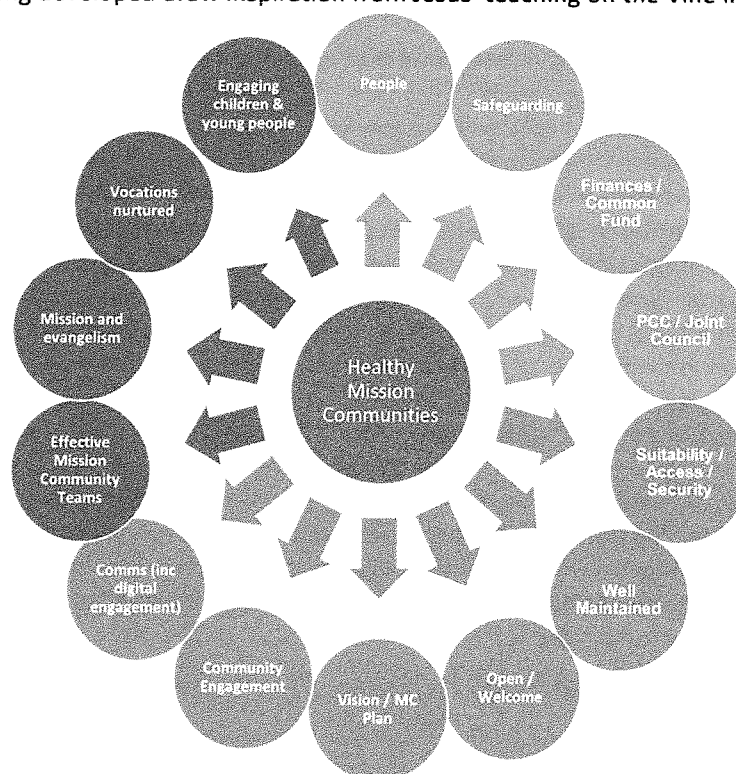
**Next Steps**

Next Steps is a further refreshment of our vision to grow in prayer, make new disciples and serve the people of Devon with joy. Every parish is unique and special, but churches thrive when they work in partnership with each other in MCs. This is why our strategy has always been to support MCs to develop and flourish. Next Steps offers a range of sustainability indicators for MCs in the areas of mission and ministry, resources and finance, buildings and governance.

Healthy churches are shaped by the growth values of the Fruit of the Spirit: love, joy, peace, patience, kindness, generosity, faithfulness, gentleness and self-control. We are developing tools to help MCs identify where to put their efforts and resources in the short term and how best to plan for the long-term. The Mission Community Health Check has been piloted and is now being offered to Mission Communities across the Diocese. It uses two on-line surveys to provide data on perceptions and priorities of those who are regular worshippers and those in the community and this forms the basis of a facilitated conversation, leading to a simple action plan.

Other resources include '*Lightening the Load*', '*Love Your Church*' fundraising resources and *Generosity* resources.

The tools being developed draw inspiration from Jesus' teaching on the Vine in John 15.

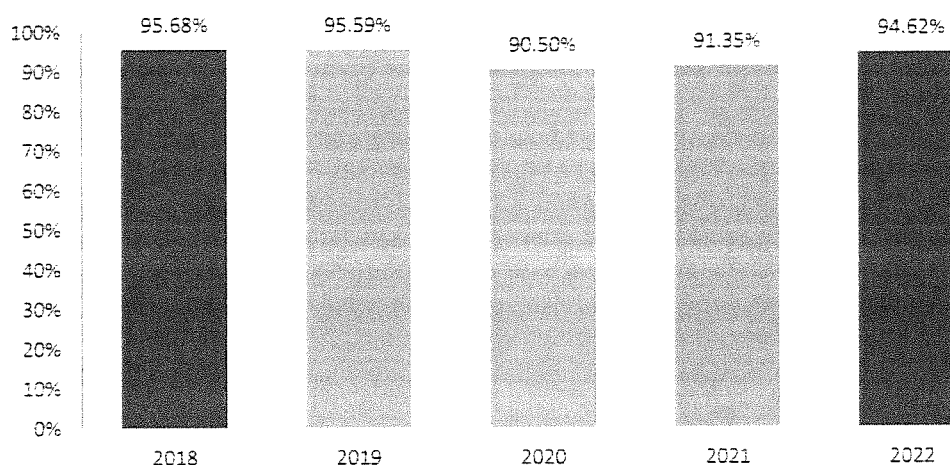


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**ACTIVITIES AND ACHIEVEMENTS IN THE YEAR**

Many parishes struggled to meet the full Common Fund request in 2020 and 2021, as a direct result of the pandemic, with many using their reserves to continue making contributions. We saw a significant improvement in 2022, as life started to return to normal. As a result, the total contributions received by the end of February 2023 were £8.6m (2021: £8.3m), which represented 94.62% (2021: 91.35%) of the amount requested from parishes. As ever, we are very grateful to the continuing generosity of the people in our worshipping communities, particularly in the current climate.

**Common Fund Collection Rates 2018 - 2022**



By autumn 2022, 24 candidates from the Diocese of Exeter were training for ordained ministry at theological college. This follows 11 people being recommended for ordination by the Bishops Advisory Panel over the previous academic year, which was a 100% recommendation rate from the panel for Exeter candidates. Numbers offering themselves for training are lower due to the impact of the pandemic. The ordination service for deacons at Exeter Cathedral (15 people ordained), and for the priests (13 people ordained) at various churches across Devon in September 2022, were live streamed to enable more people to participate. The services continue to attract media interest, most notably because the new deacons were among the first to swear allegiance to His Majesty the King. There was coverage in many national newspapers.

The new Shared Discernment Process (SDP) that the Church of England launched nationally has been in place for a year. The pandemic continued to affect the roll out of the new process, but we are now in year two, so the new ways of working are becoming more embedded. The process is complex with a two-stage process at national level, following extensive discernment work with candidates locally before each stage. This has involved the Exeter team in implementing and aligning diocesan work with the new 6 Qualities framework used by the national team.

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**ACTIVITIES AND ACHIEVEMENTS IN THE YEAR (continued)**

**Safeguarding**

Safeguarding continued to have a high priority, with the Diocese providing training courses, advice to parishes, case management, formal risk assessment work and active support. The National Learning Framework has placed an increased demand upon our staff to deliver the higher-level Leadership Pathway. Many dioceses now have a dedicated trainer but have stopped delivering face to face training. We do not have a trainer, but we continue to offer some face-to-face training, as we recognise that many people in parishes prefer this. We have also continued to deliver Permission to Officiate training as an alternative to the Leadership Pathway for retired clergy with PtO, although many other dioceses have stopped delivering PtO Training. We have also delivered face to face Parish Safeguarding Representative training and Domestic Abuse training in each Archdeaconry. The introductory Basic and Foundation pathway training is made available predominantly on-line, but in our Diocese, we have also delivered some face to face Basic and Foundation courses. Many of these Basic and Foundation courses have been delivered by our volunteer trainers, and we are grateful for their support.

We very much appreciate the work of our volunteer Parish Safeguarding Representatives (PSR) and have surveyed all our PSRs to get a better understanding of the main challenges they face, and the ways in which we can best support them. The national Church Policy change from Disclosure and Barring Service (DBS) checks being renewed every five years to every three years has increased demand on our administrator. Until recently we have been unable to use the DBS digital identification check service (except during Covid), or the update service. However, we now have an opportunity to use these services for many, but not all, roles. We hope this will help evidence checkers out in parishes.

We have purchased access to the new Parish Safeguarding Hubs. These add the function of Safer Recruitment to Parish Safeguarding Dashboards, which should make the management of DBS and Training much easier at parish level.

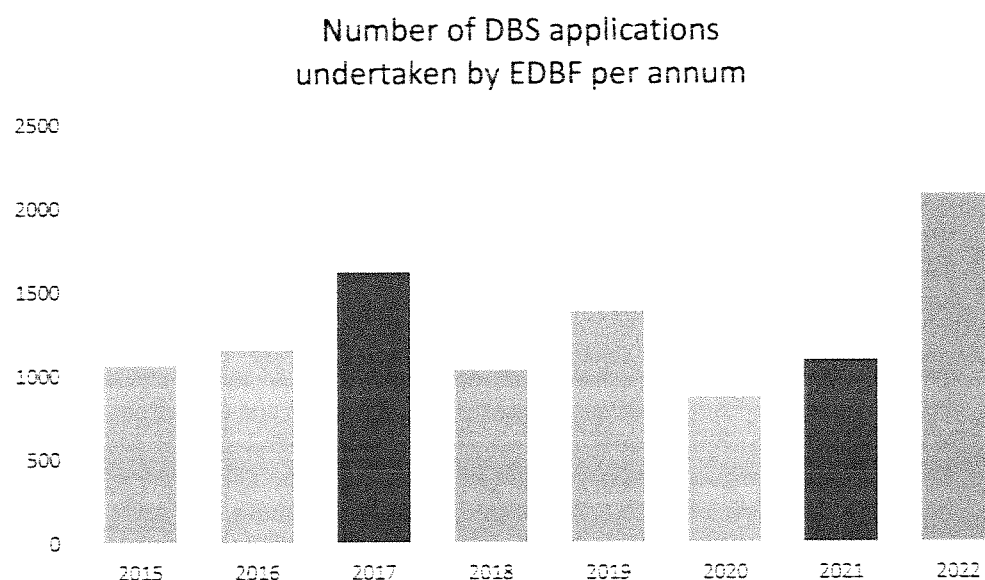
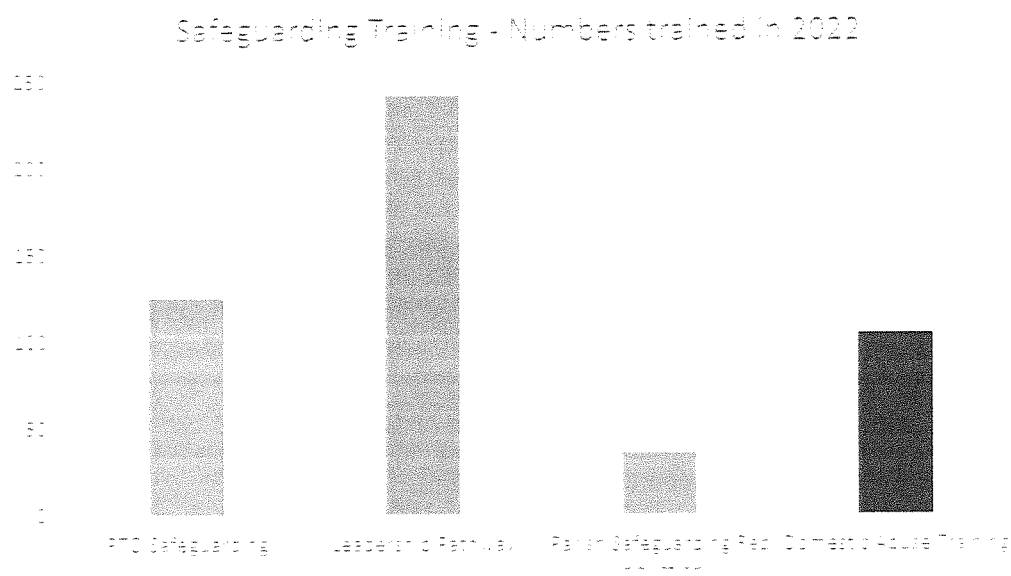
We will soon be adopting the new National Safeguarding Case Management System (NSCMS), which will help with the management of concerns and allegations. Last year the team managed just over 100 new referrals, and had around 35 people on Attendance Agreements or Safeguarding Contracts at anytime. Across the Church there has been an increase in reporting linked to Adults, especially Domestic Abuse, and Adult referrals now form the majority of all referrals. Approximately one third of all cases involve Church Officers (including clergy, volunteers, and elected officers). The majority of cases relate to members of the congregation.

We continue to be one of the Pathfinder Dioceses, piloting new procedures on behalf of the National Church. This has included new training in Supervision, Risk Assessment, development of National Safeguarding Standards and a Quality Assurance Framework. In the coming year we will be focusing on two themes for the Pathfinder: Risk Management and Leadership, Culture, Capacity.

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**ACTIVITIES AND ACHIEVEMENTS IN THE YEAR (continued)**

**Safeguarding (continued)**



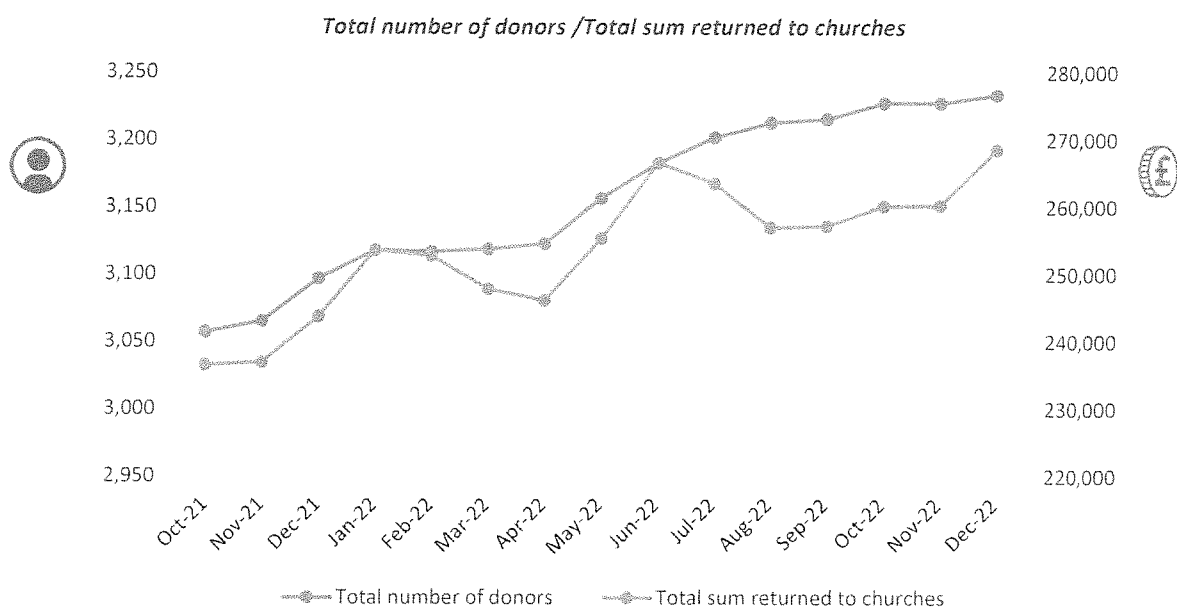
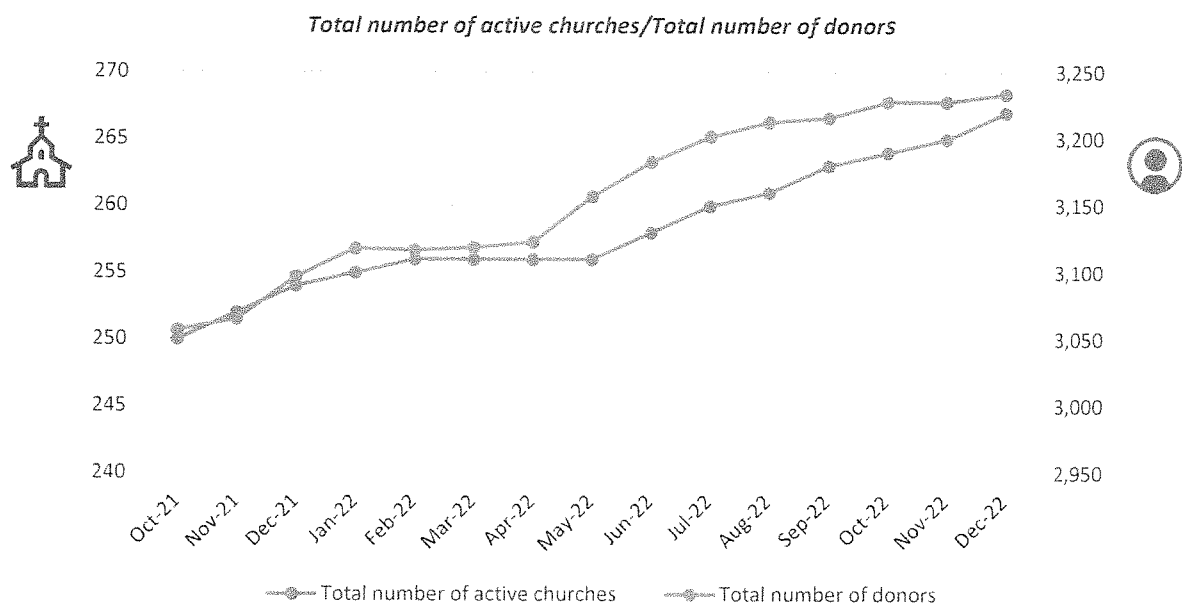
**Parish Giving Scheme**

The Parish Giving Scheme has continued to grow across the Diocese, encouraging a deeper understanding of generous giving, streamlining administration in parishes, improving parishes' cash flows by returning gift aid to parishes every month, and giving donors the option to increase their future giving in line with inflation. In December 2022 there were 3,234 (2021: 3,097) people in our Diocese making donations to 267 (2020: 254) churches, contributing a total (excluding gift aid) of £2.5m (2021: £2.3m) during the year. A further £0.6m was claimed in gift aid. The average gift (excluding gift aid) was £14.98 per week (2021: £14.25). EDBF does not carry out any significant fundraising activities.

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**ACTIVITIES AND ACHIEVEMENTS IN THE YEAR (continued)**

**Parish Giving Scheme**



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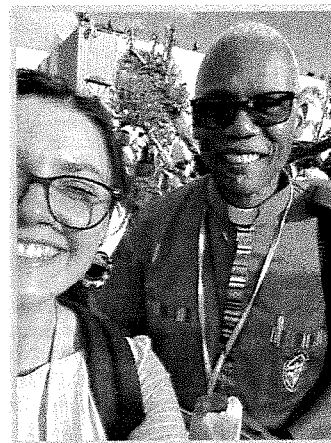
**ACTIVITIES AND ACHIEVEMENTS IN THE YEAR (continued)**

**Mission and Ministry**

The Mission and Ministry team continue to work in close collaboration with other teams based at the Diocesan Offices. The team's purpose is to support MCs as they seek to live out the diocesan vision.

During the early part of the year, we supported the Living in Love and Faith process by training facilitators, as well as running a number of on-line courses.

In June 2022, we held a three day residential conference for licensed clergy at the Royal Agricultural University in Cirencester. It was five years since the previous such event and we were blessed with good weather, excellent speakers and a deep sense of unity. It was very good to spend time together after the isolation of the pandemic.



In September 2022, our Diocesan Mission Enabler, James Grier, became the Bishop of Plymouth. He retains his links with Mission & Ministry as portfolio holder for the department on the Bishop's Staff Team.

During 2022, Sophie Phillips joined the team as the Net Zero Carbon Officer, to lead the diocese's work on setting goals, as we work together towards the target of achieving Net Zero Carbon by 2030.

Our Grow lay discipleship courses attracted participants from across the diocese. Content and attendance figures were as follows: Carbon Literacy (7), Digital Ministry (31); Growing in Prayer (7), Children, Youth and Schools (7), Administration (7) and Leading from the Front in Person (27 – and also available to download).

The Foundations in Christian Ministry Course restarted with a new cohort of 25 in September 2022.



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**ACTIVITIES AND ACHIEVEMENTS IN THE YEAR (continued)**

**Mission and Ministry (continued)**

The Vocations Development Officer and the Diocesan Director of Ordinands (DDO), with their teams, work to foster and encourage those sensing a call to serve God in the authorised lay and ordained ministries. Two events were held to help people consider and explore both ordained and lay licensed ministry as well as other focused work. Developing the ministry of women; encouraging candidates from a UK Minority Ethnic (UKME) heritage; and encouraging younger vocations, remain significant priorities. A Diocesan Calendar for 2022 focused vocations, and there was a drive to invite individuals to consider if God is calling them to self-supporting ordained ministry. During 2022, the Rev Wiz Slater joined the team, as an Assistant Director of Ordinands.

We continue to have close links with our two local ministry training providers, South West Ministry Training Course and St Mellitus College.

Deacons Ordained in 2022	Male	Female	TOTAL
Distinctive Deacons	1	1	2
Self-Supporting	1	1	2
Stipendiary	3	8	11
<b>TOTAL</b>	<b>5</b>	<b>10</b>	<b>15</b>

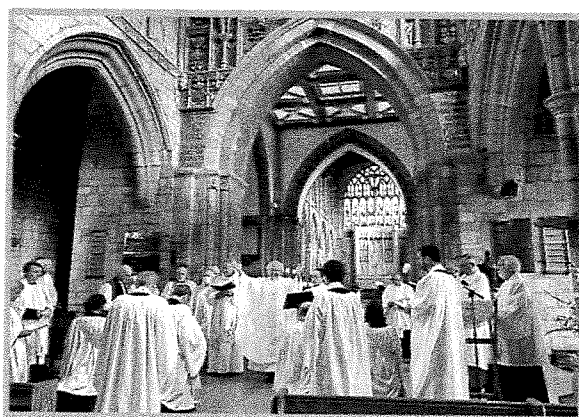
Distinctive Deacons



Self-Supporting



Stipendiary



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**ACTIVITIES AND ACHIEVEMENTS IN THE YEAR (continued)**

**Mission and Ministry (continued)**

Priests 2022	Male	Female	TOTAL
Self-Supporting	0	2	2
Stipendiary	8	3	11
<b>TOTAL</b>	<b>8</b>	<b>5</b>	<b>13</b>



**Ordinands starting training in 2022:**

Age*	Male	Female	TOTAL
31 and under	1	2	3
32 - 39	0	0	0
40 - 54	1	2	3
55 and over	2	1	3
<b>TOTAL</b>	<b>4</b>	<b>5</b>	<b>9</b>

**Board of Education**

The Diocesan Board of Education (DBE) and Education Team play an important part as a system leader within education. The geographical boundaries of the diocese mean we work closely with three Local Authorities: Devon, Torbay and Plymouth. We also have significant connectivity with Teaching Schools, Multi-Academy Trusts (MATs), the South West Regional Delivery Directorate, the Department for Education, other dioceses and the Church of England Education Office. The DBE's responsibilities and powers are set out in the renewed DBE Measure 2021.

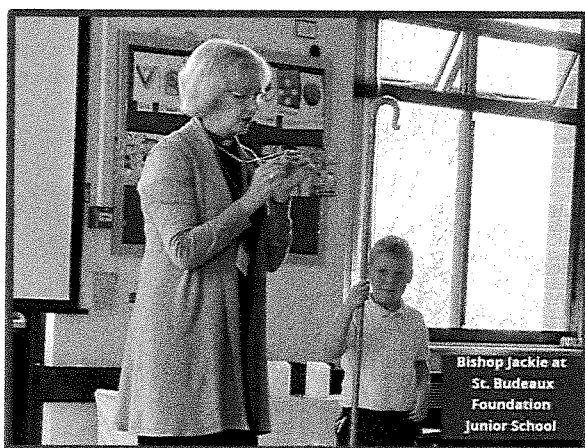
The DBE has again focussed its strategic work around the three 'pillars' of Achievement, Mission and Leadership. The work of the DBE and the Education Team has been positive as together we have sought to enable all through the love of God in Jesus Christ, to 'live life in all its fullness' and fulfil our vision to 'nurture vision-inspired education; nourish personal and spiritual growth; and enable connected communities that flourish.' More information can be found in the DBE strategic plan monitoring and final evaluation for the triennium ending in December 2022, which can be found on the diocesan website at [www.exeter.anglican.org](http://www.exeter.anglican.org).



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**ACTIVITIES AND ACHIEVEMENTS IN THE YEAR (continued)**

**Board of Education (continued)**



At the start of 2022, there were 134 Church of England (CofE) schools within the Diocese of Exeter; 122 primaries, 3 infant, 4 junior and 5 secondary schools. At the time of the January 2022 Census there were 25,914 young people attending our CofE Schools. Our CofE school sizes vary considerably, ranging from 17 pupils in the smallest primary school to 1,301 students at our largest secondary school (Jan. 22 census). 66 CofE schools (49%) had less than 110 pupils. 110 of our schools are now in a multi-school grouping

(federation or multi-academy trust), resulting in only 24 schools remaining outside a formal partnership. Working with schools' governance to support them in their explorations around partnerships and subsequent due diligence about potential partners has been a significant and increasing part of our work.

In August 2022, we saw the sad closure of Chittlehampton CofE Primary School, which had low numbers. It was one of 4 CofE schools in the diocese with less than 30 pupils. Pupil numbers have dropped in many areas of the county due to low birth rates.

In September 2022, a community school relaunched itself as a Church of England school having actively pursued a change of designation (Department of Education approval followed). We are delighted to welcome St Gabriel's CofE Primary to our church school family.

Our engagement with our CofE schools is good. Due to community schools forming a part of our multi-school groupings, we also have connectivity with over 100 community schools through shared leadership, including governance. This has offered new opportunities for mission.

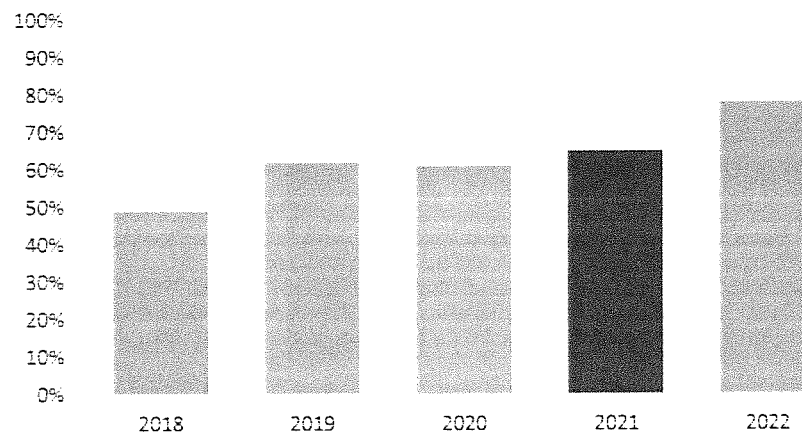
All CofE schools have access to our core service and the option to subscribe to our Service Level Agreement. We have seen a further increase in schools subscribing to our Service Level Agreement (78%, up from 49% in 2018). It is clear our SLA bespoke support is valued. Whilst our central offer remains important, our best attended events are the forums/hubs/induction rather than specific training courses.

A very significant part of the DBE's work this year, following the nationally led reconstitution of DBEs, has been to prepare, in partnership with EDBF, a Scheme and Terms of Reference for the changes to our own DBE. The decision was made that the DBE in the Diocese of Exeter should become a committee of EDBF from 1 January 2023.

## ACTIVITIES AND ACHIEVEMENTS IN THE YEAR (continued)

### Board of Education (continued)

Percentage of schools subscribing to our  
Education Service Level Agreements



### Communications and Engagement

During 2022 the Communications and Engagement team ran a vocations campaign called Kingdom Calling with a view to encouraging people to explore lay and ordained vocations within the Diocese of Exeter. We also continued to promote the Devon Church Weddings campaign and Devon Pilgrim. We helped roll out Next Steps (the diocesan strategic plan for the next five years) and did a lot of work to promote and facilitate the Church of England's Living in Love and Faith course. We ran the Digital Ministry Grow course and continued to run regular free communications training sessions for churches and clergy. As a team we continue to produce high quality media content (videos, photos, news articles) which regularly features in local and national media and gets widespread engagement on social media. We have also begun taking on some outside media and brand management work for organisations, including SWMTC.

A photographic exhibition '*This is My Story*' has been put together to tell people's faith stories. This provides an opportunity to learn about the 16 people featured, how they came to faith and how it has helped them in their lives. The exhibition shows real people living in Devon today, with a real faith, and will encourage us to think about our own lives and beliefs.

### Racial Justice Charter and Strategy

Our Racial Justice Charter is a challenge and an invitation. We believe we are called by God to identify, challenge and address racism in all its forms. We invite people everywhere to join us in a journey of change in our society. We recognise that change takes time and requires commitment, and there are significant challenges before us. The journey ahead of us will be characterised by choices, failures, risk-taking and renewal, but as Christians, we are people of hope and will be sustained by the grace of God.

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**ACTIVITIES AND ACHIEVEMENTS IN THE YEAR (continued)**

**Racial Justice Charter and Strategy (continued)**

We have four guiding commitments:

- Committed to Jesus Christ and His Kingdom;
- Committed to conversation;
- Committed to action and better representation;
- Committed to accountability and transparency.

Diocesan Synod has approved the Charter and Strategy and a series of actions. Diocesan Synod will receive an annual update on progress.

**KEY PERFORMANCE INDICATORS**

Comprehensive quarterly operational reports are produced, and these are presented to the trustees following the end of each quarter, through the Bishop's Diocesan Council, and shared more widely with staff and other key stakeholders. The individual key performance indicators are shown against the relevant sections in the report above. The reports are also available on the diocesan website.

**FUTURE PLANS**

We remain committed to our key aims to make new disciples, grow in prayer and serve the people of Devon with joy. Next Steps is key to how we shape ministry in the coming years, with a keener focus on a mixed ecology of ordained and lay leaders. The Mission Community Health Check tool is currently being piloted and will enable everyone look at what they do well and also areas where there is an opportunity to try new things.

The pandemic has given us the opportunity to think differently and try new things, whilst being mindful of the financial challenges that our parishes and mission communities continue to face. Whilst we have seen a 15% fall in the number of people in our worshipping communities in the period from 2019 to 2022, we aim to build on all of the new ways of working that have proved successful during the pandemic in reaching out to those who have not previously been involved with church, or have returned to church.

The cost-of-living increases we are all now facing will continue to make setting budgets, both at EDBF and parish level, very challenging. The squeeze on family income is likely to have an effect on the level of giving to parishes, which in turn will make it more difficult for parishes to meet the full Common Fund request.

The General Synod aim to achieve Net (Carbon) Zero by 2030 will present every diocese, cathedral, church and church school with significant challenges. The Diocesan Synod has adopted the National Routemap to Net Zero Carbon by 2030. For the sake of God's creation, EDBF takes achieving this target very seriously and will focus in the coming year on plans for how this can be achieved and what funds may need to be allocated to do so.

We said farewell to Bishop Nick in July 2022 and welcomed Bishop James Grier as the new Bishop of Plymouth in September 2022.

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**FUTURE PLANS (continued)**

The 15% reduction in the number of people in our worshipping communities means that Diocesan Synod approved the 2023 diocesan budget with a shortfall of £2m. A similar deficit is projected for 2024 and the Bishop's Diocesan Council will develop contingency plans for approval by Diocesan Synod in the autumn of 2023 should the situation not improve when the 2023 participation numbers are received. The Bishop's Diocesan Council was clear that this level of deficit each year cannot be sustained.



Bishop James at the South Devon Railway during his pilgrimage walk from Exeter to Plymouth

**SECTION 172(1) STATEMENT**

The trustees act in good faith to continually balance the success of EDBF against many other factors, including ensuring that:

- Business is conducted morally and ethically, in line with the EDBF's Code of Conduct;
- Short term gains do not have an adverse consequence on EDBF's long-term strategy, success and benefits;
- Employee and clergy welfare, training and interests are taken care of;
- Supplier relationships are strong, mutually beneficial and comply with EDBF's policies;
- Good relationships exist with our PCCs; and
- Any community and environmental impacts as a result of EDBF's operations are considered.

There have been no major changes to any of the above areas in 2023.

**FINANCIAL REVIEW**

**Financial performance**

The Consolidated Statement of Financial Activities (page 42) for the year shows that the income (before investment gains) totalled £17.8m (2021: £15.7m) and expenditure amounted to £16.6m (2021: £14.1m) resulting in net income (before investment gains/losses) of £1.2m (2021: £1.7m).

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**FINANCIAL REVIEW (continued)**

**Financial performance (continued)**

The net income, after allowing for net investment gains of £5.9m on investment properties and financial investments, resulted in a net increase in funds amounting to £7.2m. Total fund balances increased from £115.0m to £122.2m over the year.

The net operating deficit in 2022 was £1.0m, after excluding the surplus from sale of property.

At 31 December 2022 the unrestricted and undesignated reserves (see Notes 20 and 21) amounted to £7.2m (2021: £9.8m).

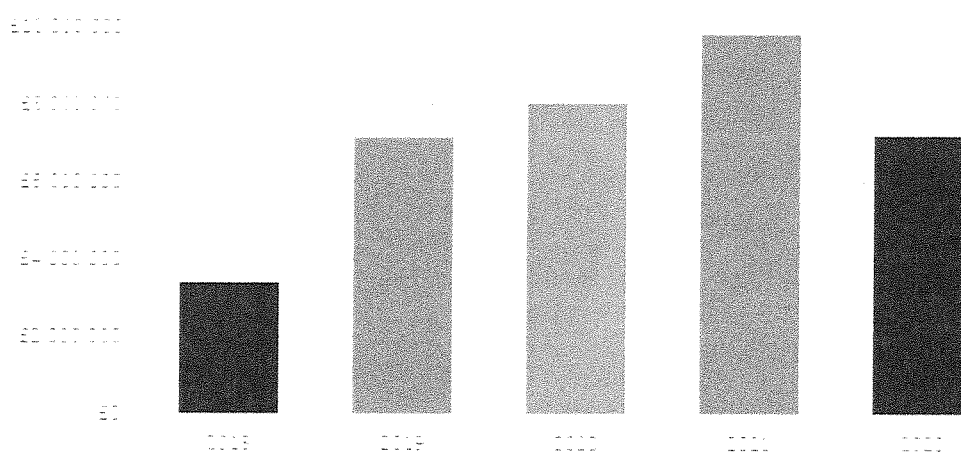
There was an aggregate gain on the revaluation of investment assets of £5.9m, based on the value at the start of the year. The value of investment held as property increased by £10.6m and listed investments reduced by of £4.7m.

**Operational surplus/(deficit)\***



\*Excluding asset sales and pension adjustments

**Unrestricted Reserves balance**



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**FINANCIAL REVIEW (continued)**

**Significant Property Transactions**

Two properties were purchased during the year, one of which required some conversion work to be undertaken. Our policy continues to be, as finance allows:

- To replace unsuitable properties;
- To accommodate the changing geographical deployment of clergy within the Diocese; and
- To realise development potential in some properties, thereby using our resources more effectively for the ministry of the Church.

In relation to the last bullet point, one new vicarage was built and planning approval for new dwellings obtained on another site.

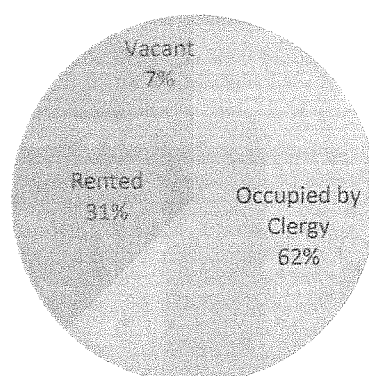
Eleven parcels of glebe land and six houses were sold within the year and sections of vicarage gardens sold off in a further two cases. The long-term aim continues to be to seek to maximise income return and to adjust the balance of EDBF's asset holdings, but sales are required to underpin cashflow and budget in the short-term.

Thirty-four in-going schemes were undertaken in advance of newly appointed clergy taking occupation and quinquennial repairs were instructed on 57 properties.

Properties continue to be rented when not needed to house clergy and the gross rental income achieved was £1.2m.

*Current use of Clergy Housing*

Number of Clergy Houses in portfolio	322
Occupied by Clergy	201
Rented	98
Vacant	23



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**FINANCIAL REVIEW (continued)**

**Balance sheet position**

The trustees consider that the balance sheet together with details in note 21 show that the restricted and endowment funds are held in an appropriate mix of investment and current assets given the purposes for which the funds are held.

While the net assets at the balance sheet date totalled £122.2m (2021: £115.0m) it must be remembered that included in these totals are properties, mostly in use for the ministry, whose carrying value amounted to £58.6m (2021: £58.3m). Much of the remainder of the assets shown in the balance sheet are held in restricted funds and cannot be used for the general purposes of EDBF.

**Reserves policy**

*Unrestricted reserves*

EDBF needs unrestricted reserves for the following purposes:

- a) To cover Common Fund shortfalls in the short-term;
- b) To ensure that funds are available to cover the legal employment entitlements of all employees and stipendiary clergy;
- c) To cover expenditure during the time it would take for the Diocese to adjust to a major change resulting from external and irresistible forces;
- d) To provide a fund for specific aspects of diocesan work earmarked as coming from reserves; and
- e) Excess reserves being necessary in an individual year, in line with the expectations in the long-term finance plan.

EDBF aims for an ongoing level of unrestricted reserves of 25% to 30% of annual budgeted expenditure, in order to cover items a) to c), above. Any amounts required to cover items d) and e), above, are considered on an annual basis. The unrestricted free reserves as at 31 December 2022 are outside this range at 44.7% of the 2023 budgeted expenditure of £16.1m. This is mainly the result of selling property assets that were previously in the designated fund. However, at the current time, with the significant economic uncertainty, and with a forecast deficit in 2023 of £2.3m, having a higher short term level of unrestricted reserves is considered necessary. The unrestricted free reserves also reduced from the position at 31 December 2021. EDBF also holds endowment and restricted reserves which are legally limited in use to specific purposes. Both EDBF's reserve policy and the level of reserves are reviewed annually.

*Reserves tied up in fixed assets*

The general (unrestricted) fund comprises net assets amounting to £7.2m of which £0.7m is tied up in intangible and tangible fixed assets.

*Designated funds*

The trustees may, with the approval of the Board, designate additional unrestricted reserves to be retained for an agreed purpose where this is considered to be prudent.

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**FINANCIAL REVIEW (continued)**

**Reserves policy (continued)**

*Designated funds (continued)*

Such designated reserves are reviewed on an annual basis and returned to the general fund in the event that the purpose of their designation is no longer considered to be adequate justification for their retention.

A description of each reserve together with the intended use of the reserve is set out in note 22. At 31 December 2022 total designated reserves were £22.8m (2021: £22.1m), of which £20.9m was tied up in tangible fixed assets.

*Restricted and endowment funds*

As set out in note 20 to 22 EDBF holds and administers a large number of restricted and endowment funds. As at 31 December 2022 restricted funds totalled £5.3m (2021: £5.7m) and endowment funds totalled £86.8m (2021: £77.3m). Neither is available for the general purposes of EDBF.

**Grant making and donations policies**

All grants and donations are made in furtherance of EDBF's strategic aims and objectives – see note 11.

The policies on the making of principal grants are:

- Ordinands – grants for living expenses are paid to ordinands against an assessment of need in line with national policy;
- Removal and resettlement grants – grants normally covering the full cost of removal expenses and resettlement grants in line with national guidelines are available to stipendiary clergy on moving to or within the Diocese;
- Archbishops' Council – the Board continues to contribute to the various costs of the national church as requested; and
- Strategic Development Fund – grants made from this fund relate to grants received from the Archbishops' Council and EDBF funding for specific projects.
- Parish Energy Support Grants – funding was received from the Church Commissioners, to provide financial support to parishes to offer some relief from the increase in energy costs. The grants were awarded in proportion to the energy costs reported by PCCs in 2021.

All grants are taken into account when a non-cancellable commitment to pay has arisen.

**Investment policy**

All investments held by EDBF have been acquired under powers available to the Trustees.

The investment of diocesan funds aims to achieve the income requirements of the diocesan budget, whilst maintaining, so far as possible, the purchasing power of the investments, year-on-year. Investment decisions will take account of the ethical considerations implicit in investing on behalf of the Diocese.



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**FINANCIAL REVIEW (continued)**

**Investment policy (continued)**

	<b>Funds at 31 December 2022 £'000</b>	<b>Proportion of Portfolio</b>	<b>Income yield in year</b>	<b>Total Return in year</b>
CCLA Managed				
CBF Investment Fund	35,568	100%	2.99%	-9.2%
CBF Deposit Fund	8	-	1.30%	+1.3%
Other Funds	5	-		
	<u>35,581</u>	100%		

EDBF also holds investment properties, in the form of three commercial properties and historic glebe land and property. These are all held within the Diocesan Stipends Capital Account (see notes 20 – 22).

	<b>Funds at 31 December 2022 £'000</b>	<b>Income yield in year</b>	<b>Total Return in year</b>
Investment Properties	25,989	1.63%	65.25%

The income yield in 2022 was lower than in previous years, following the revaluation of a number of glebe holdings with development potential, leading to a significant increase in value. This also accounts for the substantial total return percentage in 2022.

**Operational relationships**

EDBF fosters relationships with the parishes across the diocese, through the provision of clergy, support and training and by engaging with them where it is important to obtain their views, particularly where there are Common Fund considerations. EDBF fosters relationships with suppliers by seeking to work with them to build mutually beneficial relationships and by paying invoices within agreed credit terms.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The trustees are responsible for the identification, mitigation and or management of risk and have carried out a formal risk management process to assess business risks and to implement risk management strategies.

To help achieve this, a register of all the risks identified is maintained (the Risk Register) and, alongside it, a management and mitigation strategy formed. This is reviewed annually by the trustees.

The above process has been delegated to the Assets Group with the responsibility for delivery of the mitigation identified by the annual review being delegated to the Diocesan Director of Finance.

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**PRINCIPAL RISKS AND UNCERTAINTIES (continued)**

The Risk Register identifies the types of risks that EDBF faces, prioritising them in terms of potential impact and likelihood of occurrence, and the means of mitigating them. The Assets Group in conjunction with officers keep under review known risks and seek to identify new circumstances which may pose a risk to EDBF as part of their ongoing work.

The current risks with the highest residual risk score and the steps taken by senior management to mitigate them are as follows:

- Fall in the number of people within our worshipping communities;
  - Clear statement of our vision and strategy is constantly reinforced by the Bishops and the senior leadership team
  - Provision of additional diocesan-wide support through the Lay Discipleship project and support to Mission Communities
  - Provision of Living in Love and Faith (LLF) resources, training and support for parishes and Mission Communities
  - A number of mission initiatives have been adopted to encourage and improve participation in church life, with support through Strategic Development Funding
- A shortfall in the Common Fund request;
  - Regular communication of our vision and strategy by the Bishops and the senior leadership team
  - Support provided by the Mission Resources Team to parishes and MCs
  - Promotion of the Parish Giving Scheme as an effective means of regular giving
  - Development of the diocesan giving strategy
- EDBF becoming responsible for (multiple) church buildings where there is no longer a PCC;
  - Through Growing the Rural Church initiative and pastoral reorganisation, the Church Buildings Strategy group ensures that information and support is available for the extended use of church buildings.
- Reduction in rental income due to changes in tenancy legislation;
  - Representation made to Government as part of recent consultation process relating to Section 21 (no fault) notices
- Unexpected departure or protracted unavailability of a key member of management team;
  - Members of staff have been trained to a level where should this situation arise, there is resource available to cover key areas of responsibility
  - Annual appraisals and regular one to one meetings provide support and high-level communication, with reviews of workload pressures
  - Pastoral care and counselling services are available to all members of staff

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**PRINCIPAL RISKS AND UNCERTAINTIES (continued)**

- A stock market collapse;
  - EDBF's portfolio is diversified to help minimise risk
  - A statement of Investment Principles was adopted
  - Regular review of the financial position is performed by the Assets Group
- Adverse publicity arising from the eviction of tenants;
  - Liaison with agents to ensure tenants' expectations are managed as far as possible
  - Include statement in tenancy contract making it clear that the property is held for clergy housing and any tenancy will therefore be ended when a clergy person requires the property
- Failure of multi-academy trusts;
  - EDBF protected from financial failure through the oversight and ownership of any issues by EDEN
  - Maintain a strong network of MAT CEOs with transparent communication and best practice shared
  - Shared opportunities to work with strategic partners to find the best Church of England solutions
- Failure to recruit and retain suitable qualified and skilled leaders and governors in our schools;
  - Engagement with national recruitment bodies
  - Work with strategic partners to ensure training opportunities are provided for future leaders
  - Work in partnership with multi-academy trusts and teaching schools to talent spot and to develop training packages
- Insufficient people with the necessary qualities offering themselves for ministerial training;
  - Increased provision through Vocations Development Officer, backed by a team of voluntary vocations advisers
  - National drive to encourage younger vocations
  - Targeted vocations events

The trustees are satisfied that all major risks have been reviewed and systems or procedures have been established to manage these risks.

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**STRUCTURE AND GOVERNANCE**

**Summary information about the structure of the Church of England**

The Church of England is the established church, and HM The King is the Supreme Governor. It is organised into two provinces (Canterbury and York) and 42 dioceses. Each diocese is a See under the care of a bishop who is charged with the cure of souls of all the people within that geographical area. This charge is shared with priests within benefices and parishes which are sub-divisions of the diocese.

The National Church has a General Synod comprised of ex-officio and elected representations from each diocese and it agrees and lays before Parliament, Measures for the governance of the church's affairs which, if enacted by Parliament, have the force of statute law. In addition to the General Synod, the Archbishops' Council has a coordinating role for work authorised by the synod; the Church Commissioners manage the historic assets of the Church of England; and the Church of England Pension Board administers the pension schemes for clergy and lay workers. Within each diocese, overall leadership lies with the Diocesan Bishop, who exercises that responsibility as bishop within the Diocesan Synod. The Diocese of Exeter is itself divided into 21 deaneries, each with its own synod and within each parish there is a parochial church council which shares with the parish priest responsibility for the mission of the church in that place, in a similar way to that in which the Bishop shares responsibilities with the Diocesan Synod.

Whilst each diocese is a separate legal entity, with a clear responsibility for a specific geographical area, being part of the Church of England requires and enables each diocese to seek support from and application for partnership with neighbouring dioceses.

**Organisational structure**

EDBF is a company limited by guarantee (No. 00186001) registered in England & Wales and a registered charity (No. 249798) governed by its Memorandum and Articles of Association.

The company's principal activity is to promote, assist and advance the work of the Church of England within the Diocese of Exeter. It was established in its present form in 1922 and is successor in title to the Exeter Diocesan Trustees.

Governance and policy of EDBF is the responsibility of the trustees, who are also members of the company and trustees for the purposes of charity law.

The trustees/directors of EDBF can comprise:

- 11 ex-officio members consisting of the diocesan and two suffragan bishops, the dean, four archdeacons and the chairs of the Synod House of Clergy and Synod House of Laity and the Chair of the Board;
- 4 clergy elected from the house of clergy from among their number on the basis of one per archdeaconry;
- 8 lay persons elected by members of the house of laity on the basis of two per archdeaconry; and
- A minimum of 3 and a maximum of 8 members nominated by the diocesan bishop.

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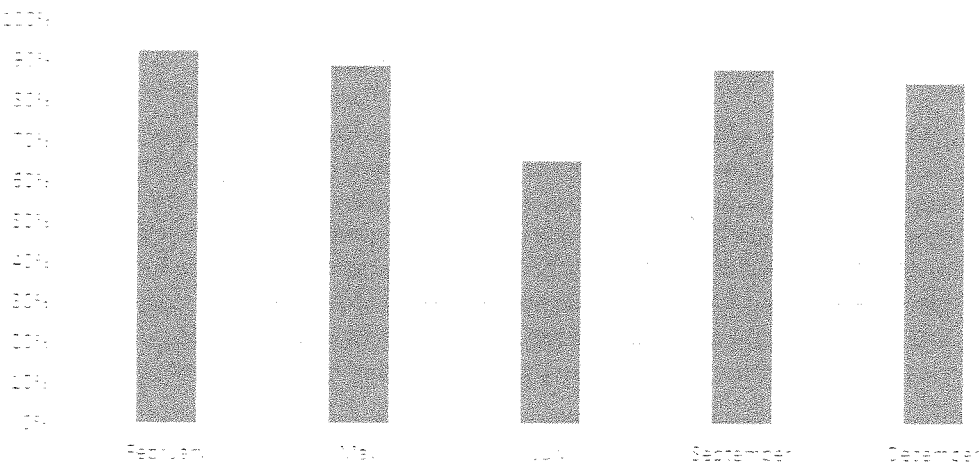
**STRUCTURE AND GOVERNANCE (continued)**

**Organisational structure**

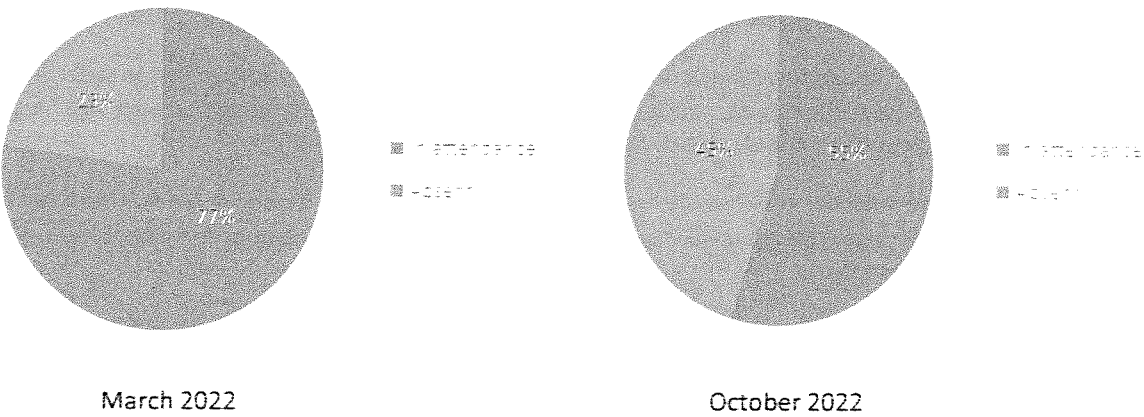
The Diocesan Synod, the statutory governing body of the Diocese, is an elected body drawn from across the Diocese with responsibility for setting the vision and strategy of the Diocese, guided by the Diocesan Bishop. The Synod membership is elected every three years, with the current members elected to take office from 1 August 2021. Whilst EDBF is a separate legal entity, with clear responsibilities under both company and charity law, as well as a governing memorandum and articles of association, by virtue of the National Institutions Measure 2000 EDBF is subject to the direction of the Synod in all its activities, unless such direction is not in accordance with the governing documents or statutory regulations.

**Attendance rates at meetings in 2022**

Attendance rates at Bishop's Diocesan Council



Attendance rates at Diocesan Synod



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**STRUCTURE AND GOVERNANCE (continued)**

**Governance Update 2022**

January 2022 saw the start of a new triennium for the Bishop's Council and Standing Committee, the Diocesan Mission and Pastoral Committee and the Executive of the Diocesan Board of Finance, as well as for a number of subsidiary committees and working groups. Although the temporary, pandemic-related legal provisions have fallen away, arrangements have been made where possible to continue with the practice of holding some meetings remotely, some in person and others in hybrid form. This represents good use of resources (both financial and environmental) but care needs to be taken that the 'quality' of the meeting does not suffer as a result, which could in turn impact decision-making.

Work continued during the course of the year to promote the adoption of Joint Councils to streamline parochial governance and also to carry out pastoral reorganisation. A number of Parochial Church Councils facing the prospect of inquoracy (and thereby ceasing to be capable of discharging their legal responsibilities) have received temporary assistance to continue functioning, pending the agreement of arrangements to achieve a more sustainable solution that reflects the current circumstances of the local context.

Preliminary work was also undertaken on a diocesan Racial Justice Charter and Strategy that, if adopted, would seek to increase the representatives of UK Minority Ethnic groups on diocesan governance bodies. Finally, all necessary work arising from the Diocesan Boards of Education Measure 2021 was completed, with the existing arrangements brought to an orderly conclusion at the end of 2022 and new arrangements in place for the start of 2023. Henceforward the functions of the Diocesan Board of Education, as specified in the Measure, will be delegated to a new committee of the Diocesan Board of Finance, operating under clear terms of reference, called the Diocesan Board of Education Committee.

**Decision making structure**

Corporate priorities and the overall financial strategy for the Diocese, in its primary object to promote, assist and advance the work of the Church of England within the Diocese of Exeter are set by the Diocesan Synod and EDBF. The responsibility for ensuring that these priorities and strategies are delivered is delegated to the Diocesan Secretary.

EDBF meets once a year in general meeting to receive and approve the annual report and financial statements and to appoint the auditors. The Diocesan Synod each year receives and agrees the annual budget, prepared and approved by EDBF.

The trustees, meeting within the context of the Bishop's Diocesan Council, hold up to six meetings during the year to formulate and coordinate policies on mission, ministry and finance by:

- Initiating proposals for action by the Synod and advising it on matters of policy;
- Transacting business of the Synod when it is not in session subject to the directions of the Synod and in accordance with Synod Standing Orders;
- Acting as the trustees of EDBF;
- Planning the business of the Synod, preparing the agenda for its session, and circulating to members information about matters for discussion;

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**STRUCTURE AND GOVERNANCE (continued)**

**Decision making structure (continued)**

- Advising the Bishop on any matters he may refer to the committee;
- Initiating consideration of any restructuring of Synod Committees and Departments which may appear necessary and for the establishment of ad hoc review groups, their terms of reference and membership;
- Carrying out such other functions as the Synod delegates to it; and
- Appointing members to committees and representatives to external bodies, subject to the direction of the Synod.

Other than the Board's Standing Committee, which may make urgent decisions on behalf of the Board between meetings and has responsibility for staffing and personnel matters, EDBF has the following sub committees, each of which have written terms of reference:

*Assets Group*

This Group has responsibility for monitoring all diocesan income and expenditure and the investment and protection of assets.

*The Bishop's Strategy Group*

This Group comprises the Bishop's Staff Team, the Chairs of both the House of Clergy and Laity, the Chair and Vice Chairs of the Board of Finance and members of the Senior Management Team, who attend as required, depending on the subject matter. The Group has a strategic focus and the subjects discussed are in line with the Diocesan Vision & Strategy. The Group's decisions will be directed by the Board and Bishop's Diocesan Council in accordance with the policies agreed by the Diocesan Synod. The Group is also responsible for considering and advising the Board on key financial considerations and the annual budget setting process.

In addition to these sub-committees EDBF is assisted in its work by the following other committees:

*Exeter Diocesan Board of Education*

The Board has a responsibility to promote or assist in the advancement of education, which is consistent with the faith and practice of the Church of England, and in the promotion and assistance of religious education and religious worship in schools. In our 134 Church of England schools, of which 78 are academies and 56 are maintained schools (26 Voluntary Aided and 30 Voluntary Controlled), the Board has a responsibility to assist and advise governors on matters affecting church schools, and to promote co-operation between the Board and others involved with education in the Diocese. As part of this, the Diocese is keen to ensure the Christian distinctiveness of all Church of England schools is protected and enhances their community. Under the Diocesan Boards of Education Measure 2021, Diocesan Synod confirmed that the DBE will become a formal sub-committee of the DBF from 1 January 2023.

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**STRUCTURE AND GOVERNANCE (continued)**

**Decision making structure (continued)**

*Parsonages Committee*

This committee, which has the same membership as the Assets Group, is responsible for determining policy and making major decisions concerning the management of parsonage houses in each benefice, including setting policy for buying, repairing, maintaining and any disposal of parsonage houses, team vicarages and houses owned by EDBF. There are four archidiaconal parsonage committees which exercise delegated powers for the day-to-day decisions on clergy housing.

*Glebe Committee*

This committee, which has the same membership as the Assets Group, is responsible for determining policy and making decisions concerning the management of glebe property and investments for the benefit of the diocesan stipends fund.

*Diocesan Mission and Pastoral Committee*

This committee, which has the same membership as the Bishop's Diocesan Council and the trustees of EDBF, is responsible for the reorganisation of parishes, benefices, church buildings, deaneries and archdeacons, taking account of available clergy numbers and making use of new patterns of ministry.

*Diocesan Advisory Committee for the Care of Churches*

This committee advises on matters affecting churches and places of worship such as the granting of faculties, architecture, archaeology, art and the history of places of worship, the use and care of places of worship and their contents and the care of churchyards.

*Exeter Diocesan Board of Patronage*

The Board is constituted under the provisions of the Patronage (Benefices) Measure 1986 and is sole patron or joint patron of a number of benefices.

*Church Building Strategy Committee*

This committee carries out statutory functions with regard to churches, which either have been closed for regular worship, or where that option is being considered.

*Vacancy in See Committee*

This committee under the Vacancy in See Regulations 1993 (as amended) assumes certain responsibilities in the event of a vacancy in the post of diocesan bishop.

**Diocesan Synod**

The Diocese of Exeter has its origins in the creation of a diocese for Devon in 909AD and took broadly its present form in 1877 when the Diocese of Truro was created as a separate diocese. The ecclesiastical boundaries of the Diocese equate almost exactly to the county of Devon, which covers an area of 6,707 square kilometres (2,589 square miles).



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**STRUCTURE AND GOVERNANCE (continued)**

**Diocesan Synod (continued)**

Devon is predominantly rural, with two major moorland areas, but also includes the two cities of Plymouth and Exeter and the urban area of Torbay. The overall resident population of the county is 1.19 million (based on mid-2019 estimates), with the north and south coastal areas attracting many tourists in the summer months.

The governance of the Diocese provides for elected clergy and lay members alongside the Bishop in Diocesan Synod, which also includes ex-officio members such as Suffragan Bishops, Archdeacons and the Dean, as well as co-opted members appointed for their skill or experience. Diocesan Synod is presided over by the Diocesan Bishop. Its role is to:

- Consider matters affecting the Church of England in the Diocese;
- Act as a forum for debate of Christian opinion on matters of religious or public interest;
- Advise the Diocesan Bishop where requested;
- Deal with matters referred to it by General Synod; and
- Provide for the finances of the Diocese through EDBF.

**At archdeaconry and deanery levels**

The Diocese consists of 483 parishes arranged into 21 deaneries within the four archdeaconries of Exeter, Totnes, Barnstaple and Plymouth. Within these parishes there are 595 Church of England places of worship in the Diocese, the 4<sup>th</sup> highest number in England.

Each deanery has a Synod consisting of a house of clergy and a house of laity. The Synod is chaired jointly by the Lay Chair, elected by the lay members from among their number, and the Rural Dean, who is appointed by the clergy and commissioned by the Diocesan Bishop.

The role of the Deanery Synod is to:

- Give effect to the decisions made by Diocesan Synod;
- Consider matters affecting the Church of England by drawing together the views of the parishes within the deanery;
- Act as a channel of communication to express the views of parishes to Diocesan Synod and thence to General Synod;
- Raise with Diocesan Synod such matters as it considers appropriate; and
- Elect members of the deanery to Diocesan Synod and of the Diocese to General Synod.

**Mission Communities**

Whilst MCs are a central part of the structure and governance of the Diocese, they are not of themselves, legal entities.

MCs will vary from place to place, but will usually involve 150 or more worshipping adults, together with children and young people, in order to form a critical mass. The commitment to work together may be formalised as a united benefice, as a single parish, as a team ministry, or be expressed through a looser partnership.

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**STRUCTURE AND GOVERNANCE (continued)**

**Mission Communities (continued)**

Each MC is encouraged to have a Mission Community Action Plan. This should be a working document which helps the local church look outwards, to grow in prayer, to make new disciples and to serve the people of Devon with joy.

**At a parish level**

Each ecclesiastical parish has a PCC, whose members include the local parochial clergy, locally elected members of the Diocesan and Deanery Synods, the Churchwardens, a number of elected representatives and, possibly, a small number of co-opted members. Its members are trustees and therefore have trustee responsibilities.

Under current charity law, PCCs with an income of under £100,000 a year are classified as charities but excepted from registration with the Charity Commission. PCC's with an income in excess of £100,000 in any year are required to register as charities with the Charity Commission. The financial transactions and balances of PCC's are not reflected in these financial statements.

**Exeter Cathedral**

The Cathedral is the seat of the Bishop and a centre of worship, teaching and mission. It has its own separate legal charitable constitution and prepares its own financial statements, copies of which may be obtained from the Cathedral Office, 1 The Cloisters, Exeter, EX1 1HS. Exeter Cathedral does not form part of EDBF group for accounting purposes.

**Trustee recruitment, selection and induction**

Trustees are members of the Bishop's Council & Standing Committee and are selected as set out above. Trustees are given induction at the beginning of each three-year term (triennium) and at other times as appropriate. They are also informed before seeking membership and, at all other relevant times, of the role and function of the Committee. Some staff hold the title of 'Director', but this relates to their function within the organisation and has no legal meaning within the terminology associated with the Companies Act. All trustees are required to sign the code of practice and maintain their entry in the record of declarations of interest.

**Standing Committee of the Exeter Diocesan Board of Finance**

Emoluments of senior employees are determined by the Standing Committee of the Bishop's Council, consisting of the Chair of EDBF, the Diocesan Secretary (non-voting), and up to four other Directors (normally the Chairs of the Houses of Clergy and Laity or their deputies, plus one further member elected by EDBF).

The terms of reference for this group is established by the Bishop's Diocesan Council and include: agreeing the annual increases in salaries for all lay staff; considering and determining changes in the grading of any lay staff; to respond to requests from staff to alter working hours, levels of responsibility or other elements of their employment contract; to make recommendations regarding staffing levels, needs or problems in any area; to assess options and proposals for structural changes in the way in which EDBF operates;

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**STRUCTURE AND GOVERNANCE (continued)**

**Standing Committee of the Exeter Diocesan Board of Finance (continued)**

and to take decisions on behalf of EDBF on matters which must be decided urgently and for which it is impossible for the normal processes to apply.

**Delegation of day-to-day delivery**

The trustees and the sub-committees which assist them in the fulfilment of their responsibilities, rely upon the Diocesan Secretary and his colleagues for the delivery of the day-to-day activities of the company. The Diocesan Secretary is given specific and general delegated authority to deliver the business of EDBF in accordance with the policies framed by the trustees.

**Funds held as Custodian Trustee**

EDBF is custodian trustee of assets held on permanent trust by virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964 where the managing trustees are PCCs and others. These assets are not aggregated in the financial statements as they do not form part of EDBF's assets. They are segregated from EDBF's own assets in separate bank and investments accounts and are accounted for separately.

Further details of financial trust assets, whose market value amounted to £21.8m at 31 December 2022 (2021: £24.7m), are available from EDBF on request, and are summarised in note 28. Where properties are held as custodian trustee, the deeds are identified as such and held in safe custody by EDBF's solicitor, Stephens Scown LLP.

**Funds held on behalf of schools**

The Board of Education (as incorporated within EDBF) receives contributions from governors of church schools within the Diocese in connection with major repair and capital projects to church schools and also government grants in connection with the same. The Board of Education administers these monies as managing agent and makes appropriate payments to contractors for work carried out. The monies do not belong to the Board of Education and as such the receipts and payments are not treated as income and expenditure in the Statement of Financial Activities. Any monies held at the balance sheet date are treated as creditors on the balance sheet. The amounts included in creditors as at 31 December 2022 were:

- £706,000 (2021: £1,706,000) received from governors and the Department for Education in advance of repairs and improvements to schools, held in the general bank account; and
- £613,000 (2021: £297,000) held in a separate CCLA deposit account on behalf of the governors of Church of England schools in respect of building funds devolved from the Department for Education.

The income and expenditure relating to school projects not reflected in the Statement of Financial Activities amounted to £2.4m and £1.5m respectively in 2022 (2021: £2.7m and £2.5m). The Excess of income over expenditure in the year is due to the timing of receipt of funding (mainly in advance) for school capital projects.

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**TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors of EDBF for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic 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. Under company law the trustees must not approve the financial statements, unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and parent charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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 group and parent charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the group and parent 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 group and parent charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group and parent charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**STATEMENT OF DISCLOSURE TO THE AUDITORS**

In so far as the Trustees are aware:

- a) There is no relevant audit information of which EDBF's auditor is unaware; and
- b) The Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that EDBF's auditor is aware of that information.

**APPOINTMENT OF AUDITORS**

The re-appointment of Bishop Fleming LLP as auditors to EDBF will be proposed at the Annual General Meeting.

**The Exeter Diocesan Board of Finance Limited**  
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**ADMINISTRATIVE DETAILS**

**Trustees**

The trustees and directors of EDBF are either ex-officio, nominated, elected or appointed as detailed in the standing orders of Exeter Diocesan Synod, a copy of which can be inspected at EDBF's registered office. The following were directors throughout the year (unless otherwise stated):

*Ex officio*

The Rt Rev Robert Atwell, Lord Bishop of Exeter  
The Rt Rev Nicholas McKinnel, Bishop of Plymouth (until 31 August 2022)  
The Rt Rev Jacqueline Searle, Bishop of Crediton  
The Rt Rev James Grier, Bishop of Plymouth (from 29 September 2022)  
The Ven Andrew Beane, Archdeacon of Exeter  
The Ven Verena Breed, Archdeacon of Barnstaple  
The Ven Douglas Dettmer, Archdeacon of Totnes  
The Ven Nicholas Shutt, Archdeacon of Plymouth (until 30 April 2023)  
The Very Rev Jonathan Greener, Dean of Exeter  
The Rev Preb Michael Partridge (Chair, House of Clergy)  
Mr Giles Frampton (nominated by the Bishop as Chair)  
Mrs Annie Jefferies (Chair, House of Laity)

*Appointed by the Bishop*

Mrs Laura Ford  
Mrs Tanya Hockley-Still (from 22 May 2023)  
Mr Robert Mills (Vice Chair)  
The Rev Jacqueline Taylor (until 31 May 2022)  
The Rev Canon Dr Michael Williams (Vice Chair)  
Dr Michael Wykes

*Elected by Barnstaple Archdeaconry*

Mr Nigel Price  
The Rev Samantha Stayte

*Elected by Exeter Archdeaconry*

Mrs Antoinette Foreman  
The Rev Edward Hobbs  
Mr Keith Rushforth

*Elected by Plymouth Archdeaconry*

The Rev Andrew Atkins  
Mr Michael Jefferies  
Mr Julian Payne

*Elected by Totnes Archdeaconry*

Ms Hannah Dunn (until 8 May 2023)  
The Rev Peter March  
Mr Stephen Macey

**The Exeter Diocesan Board of Finance Limited**  
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**ADMINISTRATIVE DETAILS (continued)**

**Senior staff and advisers**

Diocesan Secretary	Stephen Hancock
Assistant Diocesan Secretary	Ed Moffatt
Director of Mission & Ministry	Philip Sourbut
Director of Education	Sue Lockwood
Director of Finance and Company Secretary	Neil Williams
Director of People & Safeguarding	Anthea Carter-Saviegar
Director of Property	Graham Davies
Director of Communications	Chloe Axford
Strategic Programme Manager	Rafael Krasnodebski
Operations Manager	Annemarie Kendell

Registered Office:	The Old Deanery The Cloisters Exeter. EX1 1HS
Bankers:	NatWest Bank plc 59 High Street Exeter. EX4 3DP
Auditors:	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor, Stratus House, Emperor Way, Exeter Business Park Exeter. EX1 3QS
Solicitors:	Stephens Scown LLP Curzon House Southernhay West Exeter. EX1 1RS
Investment advisers:	CCLA Investment Management Ltd Senator House 85 Queen Victoria Street London. EC4V 4ET
Insurance brokers:	PIB Insurance Brokers Poppleton Grange Low Poppleton Lane York. YO26 6GZ
Main Insurers:	Ecclesiastical Insurance Group plc Montpellier House Montpellier Gloucester. GL1 1LF

**The Exeter Diocesan Board of Finance Limited  
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**ADMINISTRATIVE DETAILS (continued)**

The directors and trustees of the Board's subsidiary undertakings who served throughout the year (unless otherwise stated) were as follows:

**DIRECTORS OF EDPS LIMITED**


Mr Giles Frampton (Chair)  
Mrs Jan Keliher  
The Rev Canon Dr Michael Williams  
Mr Neil Williams

In approving this Annual Report (pages 3 – 36), the trustees are also approving the Strategic Report included on pages 4 – 24 within their capacity as company directors.

**BY ORDER OF THE TRUSTEES**



Giles Frampton  
Chair  
12 September 2023



Michael Williams  
Vice Chair

**The Exeter Diocesan Board of Finance Limited**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EXETER DIOCESAN BOARD OF FINANCE LIMITED**

We have audited the financial statements of the Exeter Diocesan Board of Finance Limited (the 'parent charitable company') and its subsidiaries ('the group') for the year ended 31 December 2022 which comprise the consolidated statement of the financial activities, the consolidated income and expenditure account, the consolidated and EDBF balance sheets, the consolidated cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2022, and of the groups 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.

**Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



**The Exeter Diocesan Board of Finance Limited**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EXETER DIOCESAN BOARD OF FINANCE LIMITED (continued)**

**Other information**

The other information comprises the information included in the annual report and consolidated financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and consolidated financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the group and parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The group and parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

**The Exeter Diocesan Board of Finance Limited  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EXETER DIOCESAN  
BOARD OF FINANCE LIMITED (continued)**

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 33, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditors under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is described below:

- We have considered the nature of the sector, control environment and financial performance of the group and parent charitable company;
- We have considered the results of enquiries with management and Directors in relation to their own identification and assessment of the risk of irregularities within the group and parent charitable company;

**The Exeter Diocesan Board of Finance Limited**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EXETER DIOCESAN BOARD OF FINANCE LIMITED (continued)**

**Auditor's responsibilities for the audit of the financial statements (continued)**

- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisations for fraud and identified incorrect revenue recognition to be a significant risk. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override of controls, including through the use of journal entries, this being a further significant risk.

We have also obtained understanding of the legal and regulatory frameworks that the group and parent charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Charities Acts, Church Measures, FRS 102, the Charities SORP and tax legislation. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group and parent charitable company's ability to operate or avoid a material penalty. These included employment and health and safety legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of Bishop's Diocesan Council meetings;
- Enquiring of management and those charged with governance in relation to actual and potential claims or litigations;
- Reviewing the financial statements disclosures and testing to supporting documentation to assess the recognition of revenue; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

**The Exeter Diocesan Board of Finance Limited  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EXETER DIOCESAN  
BOARD OF FINANCE LIMITED (continued)**

**Auditor's responsibilities for the audit of the financial statements (continued)**

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:  
[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and group and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Craig Sullivan FCCA (Senior Statutory Auditor)  
For and on behalf of:  
Bishop Fleming LLP, Chartered Accountants & Statutory Auditors  
2nd Floor, Stratus House, Emperor Way, Exeter Business Park, Exeter, EX1 3QS

18 September 2023

**The Exeter Diocesan Board of Finance Limited**  
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**CONSOLIDATED STATEMENT OF THE FINANCIAL ACTIVITIES**  
**For the year ended 31 December 2022**

	Note	Unrestricted funds General £'000	Designated £'000	Restricted Funds £'000	Endowment Funds £'000	Total funds 2022 £'000	Total funds 2021 £'000
<b>Income and endowments from</b>							
Donations	2						
Parish contributions		8,624	-	-	-	8,624	8,298
Archbishop's Council		-	-	1,971	-	1,971	1,369
Other donations		307	-	913	-	1,220	1,129
Charitable activities	3	697	-	57	-	754	691
Other trading activities	4	1,492	-	-	-	1,492	1,581
Investments	5	467	1	1,035	-	1,503	1,415
Other	6	878	-	-	1,353	2,231	1,231
<b>Total income and endowments</b>		<b>12,465</b>	<b>1</b>	<b>3,976</b>	<b>1,353</b>	<b>17,795</b>	<b>15,714</b>
<b>Expenditure on</b>							
Costs of raising funds	7	206	-	77	-	283	312
Charitable activities	8	12,145	176	3,973	-	16,294	13,746
<b>Total expenditure</b>		<b>12,351</b>	<b>176</b>	<b>4,050</b>	<b>-</b>	<b>16,577</b>	<b>14,058</b>
<b>Net income/(expenditure) before investment gains</b>		<b>114</b>	<b>(175)</b>	<b>(74)</b>	<b>1,353</b>	<b>1,218</b>	<b>1,656</b>
Net gain/(loss) on investments	16	(1,380)	6	(355)	7,665	5,936	5,968
<b>Net income/(expenditure)</b>		<b>(1,266)</b>	<b>(169)</b>	<b>(429)</b>	<b>9,018</b>	<b>7,154</b>	<b>7,624</b>
<b>Transfers between funds</b>	13	<b>(1,347)</b>	<b>868</b>	<b>-</b>	<b>479</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>(2,613)</b>	<b>699</b>	<b>(429)</b>	<b>9,497</b>	<b>7,154</b>	<b>7,624</b>
<b>Total funds brought forward</b>		<b>9,823</b>	<b>22,104</b>	<b>5,743</b>	<b>77,341</b>	<b>115,011</b>	<b>107,387</b>
<b>Total funds carried forward</b>	20	<b>7,210</b>	<b>22,803</b>	<b>5,314</b>	<b>86,838</b>	<b>122,165</b>	<b>115,011</b>

All activities derive from continuing activities. The notes on pages 47 to 90 form part of the financial statements.

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**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**  
**For the year ended 31 December 2022**

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	Total 2022 £'000	Total 2021 £'000
Total incoming resources	16,442	15,161
Resources expended	(16,577)	(14,058)
Operating surplus/(deficit) for the year	(135)	1,103
Net gain/(loss) on investments	(1,729)	1,566
Net income for the year	(1,864)	2,669
Other comprehensive income:		
Net assets transferred from/(to) endowments	(479)	(75)
Total comprehensive income	(2,343)	2,594

The income and expenditure account is derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with company law. All income and expenditure is derived from continuing activities.

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CONSOLIDATED AND EDBF BALANCE SHEETS  
At 31 December 2022

Company Number – 186001		2022		2021	
	Note	Group £'000	EDBF £'000	Group £'000	EDBF £'000
<b>FIXED ASSETS</b>					
Intangible Assets	14	59	59	72	72
Tangible assets	15	58,828	58,828	58,562	58,562
Investments	16	61,570	61,570	55,798	55,798
<b>Total fixed assets</b>		<b>120,457</b>	<b>120,457</b>	<b>114,432</b>	<b>114,432</b>
<b>CURRENT ASSETS</b>					
Debtors	17	1,678	1,842	2,198	2,338
Cash on deposit		34	34	34	34
Cash at bank and in hand		3,492	3,284	2,045	1,833
<b>Total current assets</b>		<b>5,204</b>	<b>5,160</b>	<b>4,277</b>	<b>4,205</b>
<b>CREDITORS: amounts falling due within one year</b>	18	<b>(2,310)</b>	<b>(2,275)</b>	<b>(1,812)</b>	<b>(1,749)</b>
<b>NET CURRENT ASSETS</b>		<b>2,894</b>	<b>2,885</b>	<b>2,465</b>	<b>2,456</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>123,351</b>	<b>123,342</b>	<b>116,897</b>	<b>116,888</b>
<b>CREDITORS: amounts falling due after one year</b>	19	<b>(1,186)</b>	<b>(1,186)</b>	<b>(1,886)</b>	<b>(1,886)</b>
<b>TOTAL NET ASSETS</b>		<b>122,165</b>	<b>122,156</b>	<b>115,011</b>	<b>115,002</b>
<b>FUNDS</b>					
<b>Endowment funds</b>					
(Including investment revaluation reserve of £31,902k (2021: £24,389k))		86,838	86,838	77,341	77,341
<b>Restricted income funds</b>					
(Including investment revaluation reserve of £1,123k (2021: £1,503k))		5,314	5,314	5,743	5,743
<b>Unrestricted income funds:</b>					
General Funds (Including investment revaluation reserve of £3,121k (2021: £4,501k))		7,201	7,201	9,814	9,814
Designated Funds (Including investment revaluation reserve of (£3k) (2021: £6k))		22,803	22,803	22,104	22,104
Trading subsidiary		9	-	9	-
<b>TOTAL CHARITY FUNDS</b>	21	<b>122,165</b>	<b>122,156</b>	<b>115,011</b>	<b>115,002</b>

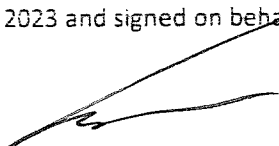
**The Exeter Diocesan Board of Finance Limited  
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**CONSOLIDATED AND EDBF BALANCE SHEETS (continued)  
At 31 December 2022**

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The Cash Flow Statement and the notes on pages 47 to 90 form part of these financial statements.  
The financial statements were approved by the Board of Trustees and authorised for issue on  
2023 and signed on behalf of the Board by:

12 September



**Giles Frampton  
Chair of the Board**



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**CONSOLIDATED CASH FLOW STATEMENT**  
**For the year ended 31 December 2022**

	2022		2021	
	£'000	£'000	£'000	£'000
<b>Net cash inflow/(outflow) from operating Activities</b>		(3,012)		(3,609)
<b>Cash flows from investing activities</b>				
Dividends, interest and rent from investments	2,726		2,717	
Proceeds from the sale of:				
Tangible fixed assets	3,339		1,789	
Fixed asset investments	456		4,016	
Purchase of:				
Tangible fixed assets for the use of the EDBF	(1,395)		(399)	
Fixed asset investments	(292)		(8,005)	
<b>Net cash provided by/(used in) investing Activities</b>		4,834		118
<b>Cash flows from financing activities</b>				
Loans repaid by the EDBF	(434)		(169)	
New lending by EDBF	(61)		(100)	
Loans repaid to EDBF	120		82	
<b>Net cash provided by/(used in) financing Activities</b>		(375)		(187)
<b>Change in cash and cash equivalents in the reporting period</b>		1,447		(3,678)
<b>Cash and cash equivalents at 1 January</b>		2,079		5,757
<b>Cash and cash equivalents at 31 December</b>		3,526		2,079
<b>Reconciliation of net income/(expenditure) before investment gains to net cash flow from operating activities</b>				
<b>Net income/(expenditure) before investment gains for the year ended 31 December</b>		1,218		1,656
<b>Adjustments for:</b>				
Depreciation/amortisation charges		40		51
Dividends, interest and rent from investments		(2,726)		(2,717)
Surplus/(deficit) on sale of functional assets		(2,231)		(1,231)
Decrease/(increase) in debtors		457		(140)
(Decrease)/increase in creditors		230		(1,228)
<b>Net cash provided by/(used in) operating activities</b>		(3,012)		(3,609)
<b>Analysis of cash and cash equivalents</b>				
Cash in hand		3,492		2,045
Notice deposits (less than 3 months)		34		34
		3,526		2,079

**The Exeter Diocesan Board of Finance Limited**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

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**1. ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention, with the exception of fixed asset investments, which are included at their fair value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019 (FRS 102)), the Companies Act 2006 and applicable accounting standards (FRS 102) (effective 1 January 2019).

EDBF meets the definition of a public benefit entity under FRS 102. It is a company limited by guarantee and is constituted under a memorandum and articles of association. The company is also a registered charity. The address of the registered office is given in the administrative details on page 35. The nature of the charity's operations and its principal activities are set out in the annual report.

These financial statements consolidate the results of the company and its wholly owned subsidiary (see Note 32) on a line-by-line basis. A separate Statement of Financial Activities and income and expenditure account for the company has not been presented because the company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The principal accounting policies and estimation techniques are as follows:

**a) Income**

All income is included in the Statement of Financial Activities (SOFA) when EDBF is legally entitled to the income or capital respectively, ultimate receipt is more likely than not and the amount to be recognised can be quantified with reasonable accuracy.

- i) **Common Fund (Parish contributions)** is recognised as income of the year in respect of which it is receivable, with a cut-off date of 28 February 2023 for the 2022 year.
- ii) **Rental income** is brought into the accounts when receivable.
- iii) **Interest and dividends** are recognised as income when receivable.
- iv) **Grants** received which are subject to pre-conditions for entitlement specified by the donor which have not been met at the year-end are included in creditors to be carried forward to the following year.
- v) **Statutory Parochial fees** are recognised as income of the year to which they relate with a cut-off date of 28 February 2023 for the 2022 year.
- vi) **Donations** other than grants are recognised when receivable.
- vii) **Gains on disposal of fixed assets for the EDBF's own use** (i.e. non-investment assets) are accounted for as other incoming resources. Losses on disposal of such assets are accounted for as other resources expended.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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1. ACCOUNTING POLICIES (continued)

b) Expenditure

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the Statement of Financial Activity category.

- i) **Expenditure on raising funds** is constrained to costs relating to the investment management costs of glebe and any other investment properties and the running costs of EDPS Ltd, EDBF's trading subsidiary.
- ii) **Charitable expenditure** is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry in the parishes of the Diocese, and expenditure on education and Church of England schools in the Diocese.
- iii) **Grants payable** are charged in the year when the offer is conveyed to the recipient, except in those cases where the offer is conditional and there are no conditions at the discretion of EDBF, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.
- iv) **Support costs** consist of central management, administration and governance costs. The amount spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff time basis.
- v) **Pension contributions.** EDBF's staff are members of the Church Workers Pension Fund and Clergy are members of the Church of England Funded Pension Scheme (see note 26). The pension costs charged as resources expended represent EDBF's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding for the pension schemes to which EDBF participates is accrued at current value in creditors distinguished between contributions falling due within one year and after more than one year, with any adjustments required reflected in the SOFA.
- vi) **Redundancy and termination payments** are recognised when EDBF is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date, or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.
- vii) **Irrecoverable VAT** is charged as a cost against the activity for which the expenditure was incurred.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
For the year ended 31 December 2022

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1. ACCOUNTING POLICIES (continued)

c) Tangible fixed assets and depreciation

*Freehold properties*

Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case, and because their expected residual value is not materially less than their carrying value. EDBF has a policy of regular structural inspection, repair and maintenance, which in the case of residential properties is in accordance with the Repair of Benefices Buildings Measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence.

In addition, disposals of properties occur well before the end of their economic lives and disposal proceeds are usually not less than their carrying value. The Trustees perform annual impairment reviews in accordance with the requirements of FRS102 to ensure that the carrying value is not more than the recoverable amount.

*Properties subject to value linked loans*

Properties which have been bought with the assistance of value-linked loans from the Church Commissioners are stated using the original value of the related loan at the balance sheet date.

*Investment properties*

Glebe properties which are held for investment purposes and rented out have been included at their fair value.

*Parsonage houses*

EDBF has followed the requirements of FRS102, in its accounting treatment for benefice houses (parsonages). FRS102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. EDBF is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent. The Trustees therefore consider the most suitable accounting policy is to capitalise such properties as expendable endowment assets and to carry them at their historic cost value.

d) Other tangible fixed assets

All capital expenditure over £1,000 is capitalised and depreciated as follows. Depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives at the following initial rates:

Motor vehicles	25% per annum	reducing balance basis
Fixtures and fittings	10% per annum	straight line basis
Equipment	25% per annum	straight line basis
Telephone system	10% per annum	straight line basis
Photovoltaic panels	4% per annum	straight line basis

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
For the year ended 31 December 2022

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1. ACCOUNTING POLICIES (continued)

- e) **Fixed asset investments** are included in the balance sheet at fair value and the gain or loss taken to the Statement of Financial Activities. The investments in the subsidiary undertaking are valued at cost less any provisions for impairment.
- f) **Leases.** EDBF has entered only into operating lease arrangements for the use of certain assets, the rental for which is charged in full as expenditure in the year to which it relates. Where rent free periods are given as part of an operating lease, the impact of this rent-free period is reflected in the Statement of Financial Activities over the shorter of the overall lease term or first break clause (if expected to be exercised) whichever is shorter in time.
- g) **Debtors.** Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.
- h) **Cash at bank and in hand and cash on deposit.** Cash at bank and in hand and cash on deposit includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening.
- i) **Creditors and provisions.** Creditors and provisions are recognised where the group and parent 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.
- j) **Financial instruments.** EDBF only has material 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.
- k) **Fund balances**  
Fund Balances are split between unrestricted (general and designated), restricted and endowment funds.
  - **Unrestricted funds** are EDBF's corporate funds and are freely available for any purpose within the charitable company's objects, at the discretion of EDBF. There are two types of unrestricted funds:
    - **General funds** which EDBF intends to use for the general purposes of EDBF; and
    - **Designated funds** set aside out of unrestricted funds by EDBF for a purpose specified by the Trustees.
  - **Restricted funds** are income funds subject to conditions imposed by the donor as specific terms of trust, or else by legal measure.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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1. ACCOUNTING POLICIES (continued)

- **Endowment funds** are those held on trust to be retained for the benefit of the charitable company or group as a capital fund. In the case of the endowment funds administered by EDBF, there are discretionary powers to convert capital into income and, as a result, these funds are classified as expendable endowment. Endowment funds where there is no provision for expenditure of capital are classified as permanent endowment.

Trusts where EDBF acts merely as custodian trustee with no control over the management of the funds are not included in the financial statements but are summarised in the notes to the financial statements.

- i) **Preparation of the accounts on a going concern basis.** Having undertaken a review, the Trustees have no concerns about the ability of EDBF to meet its liabilities and on that basis the company is a going concern.
- m) **Significant accounting estimates.** The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

**Revaluation of investment properties**

EDBF carries its investment property at fair value, with changes in fair value being recognised in the Statement of Financial Activities. Commercial investment properties are revalued each year by an independent valuation specialist. Glebe property is revalued by an independent valuation specialist every five years, with annual reviews of fair value made by management with reference to appropriate indices, or to reflect any changes in the status of the property. Where appropriate, the valuation will reflect the development potential of individual glebe holdings.

**Pension and other post-employment benefits**

The liabilities in respect of defined benefit pension schemes and other pension related provisions are determined using actuarial calculations by an independent actuary. The calculations involve making assumptions about discount rates, future salary increases, mortality rates and future pension increases.

**Depreciation of freehold properties**

The board does not depreciate its freehold properties as it judges any depreciation charge to be immaterial on the basis of the long life of the asset and high residual value on the basis of the board policy of regular maintenance. The board carries out an annual impairment review.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 December 2022**

**1. ACCOUNTING POLICIES (continued)**

**Benefice houses recognition**

Benefice houses are legally vested in the incumbent of the benefice. However, the board recognises these as functional assets of the board on the basis that the board carries both obligations in terms of maintenance and improvement and beneficial entitlements of ownership.

**2. DONATIONS**

**Parish Contributions**

The majority of donations are collected from the parishes of the Diocese through the common fund system.

	Unrestricted funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000
Current Year assessments	8,958	-	-	-	8,958	8,996
Shortfall in contributions	(482)	-	-	-	(482)	(778)
	<u>8,476</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,476</u>	<u>8,218</u>
Receipts for previous years	136	-	-	-	136	80
Receipts for future years	12	-	-	-	12	-
	<u>8,624</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,624</u>	<u>8,298</u>

Current year common fund receipts represent 94.62% of the total assessed (2021: 91.35%).

**Archbishop's Council**

	Unrestricted funds		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000
Lowest Income Communities Funding	-	-	1,190	-	1,190	1,207
Parish Energy Support grants	-	-	463	-	463	-
Strategic Ministry funding	-	-	318	-	318	162
	<u>-</u>	<u>-</u>	<u>1,971</u>	<u>-</u>	<u>1,971</u>	<u>1,369</u>

The Lowest Income Communities Funding is the annual grant for either supporting specific parish mission and development projects or for clergy stipends.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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2. DONATIONS (continued)

Other donations and grants

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	funds	funds
	£'000	£'000	£'000	£'000	2022	2021
					£'000	£'000
Benefact Trust Grant	147	-	-	-	147	158
Legacies	-	-	-	-	-	19
Donations and grants	160	-	640	-	800	641
Resourcing Ministerial Education	-	-	273	-	273	311
	<u>307</u>	<u>-</u>	<u>913</u>	<u>-</u>	<u>1,220</u>	<u>1,129</u>

The donations and grants figure above includes the following: Strategic Development Funding (£640k); Capacity Funding (£140k) and Other grants (£20k).

3. CHARITABLE ACTIVITIES

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	funds	funds
	£'000	£'000	£'000	£'000	2022	2021
					£'000	£'000
Statutory fees	604	-	-	-	604	528
Chaplaincy income	16	-	57	-	73	63
Feed in/Export Tariffs						
- PV panels	22	-	-	-	22	37
Course/training fees	24	-	-	-	24	18
Miscellaneous income	31	-	-	-	31	45
	<u>697</u>	<u>-</u>	<u>57</u>	<u>-</u>	<u>754</u>	<u>691</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	funds	funds
	£'000	£'000	£'000	£'000	2022	2021
					£'000	£'000
Housing income	1,207	-	-	-	1,207	1,286
Other rental income	16	-	-	-	16	16
Trading – EDPS Ltd	269	-	-	-	269	279
	<u>1,492</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,492</u>	<u>1,581</u>



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
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**5. INVESTMENT INCOME**

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	funds	funds
	£'000	£'000	£'000	£'000	2022	2021
					£'000	£'000
Dividends receivable	438	-	628	-	1,066	1,011
Interest receivable	29	1	-	-	30	-
Rents receivable	-	-	407	-	407	404
	<u>467</u>	<u>1</u>	<u>1,035</u>	<u>-</u>	<u>1,503</u>	<u>1,415</u>

**6. OTHER INCOMING RESOURCES**

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	funds	funds
	£'000	£'000	£'000	£'000	2022	2021
					£'000	£'000
Gains on sale of Properties	878	-	-	1,353	2,231	1,230
Surplus on disposal of fixed assets	-	-	-	-	-	1
	<u>878</u>	<u>-</u>	<u>-</u>	<u>1,353</u>	<u>2,231</u>	<u>1,231</u>

**7. COSTS OF RAISING FUNDS**

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	funds	funds
	£'000	£'000	£'000	£'000	2022	2021
					£'000	£'000
Giebe agents' fees	-	-	48	-	48	47
Other giebe expenses	25	-	29	-	54	58
Trading activities – EDPS Ltd	181	-	-	-	181	207
	<u>206</u>	<u>-</u>	<u>77</u>	<u>-</u>	<u>283</u>	<u>312</u>

**The Exeter Diocesan Board of Finance Limited**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 December 2022**

**8. CHARITABLE ACTIVITIES**

	Unrestricted funds		Restricted Funds	Endowment Funds	Total funds 2022	Total funds 2021
	General £'000	Designated £'000	£'000	£'000	£'000	£'000
<b>Contributions to</b>						
<b>Archbishops' Council</b>						
Training for Ministry	346	-	-	-	346	346
National Church Responsibilities	212	-	-	-	212	242
Grants and provisions	29	-	-	-	29	30
Mission agency pension Costs	14	-	-	-	14	16
Retired clergy housing Costs	131	-	-	-	131	127
Pooling of ordinands maintenance grants	44	-	-	-	44	33
	<u>776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>776</u>	<u>794</u>
<b>Resourcing Ministry and Mission</b>						
Parish Ministry						
Stipends and national Insurance	3,099	-	2,511	-	5,610	5,569
Pension costs	1,541	-	37	-	1,578	1,572
Housing costs	2,983	-	-	-	2,983	2,016
Removal, resettlement and grants	213	-	-	-	213	198
Clergy Pension Fund Deficit	(143)	-	-	-	(143)	7
Other expenses	283	-	42	-	325	443
	<u>7,576</u>	<u>-</u>	<u>2,590</u>	<u>-</u>	<u>10,566</u>	<u>9,805</u>
Support for parish ministry						
Mission and Ministry	1,192	176	868	-	2,236	2,133
Social Justice/Creation Care	77	-	-	-	77	57
Mission and Ministry grants	-	-	26	-	26	3
Parish Energy Support grants	-	-	463	-	463	-
Cooper Legacy grants	-	-	10	-	10	3
Cooper Armstrong Legacy	-	-	-	-	-	6
Support services	1,578	-	16	-	1,594	1,429
Lay Pension Fund Deficit	-	-	-	-	-	(975)
	<u>10,823</u>	<u>176</u>	<u>3,973</u>	<u>-</u>	<u>14,972</u>	<u>12,461</u>
<b>Expenditure on Education and Church of England Schools</b>						
Support for church schools and parishes	546	-	-	-	546	491
	<u>12,145</u>	<u>176</u>	<u>3,973</u>	<u>-</u>	<u>16,294</u>	<u>13,746</u>

Of the year-on-year increase of £165k in support services costs, £75k can be attributed to planned repairs required to the main office building.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
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**9. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS**

	Activities Undertaken Directly £'000	Grant Funding of Activities £'000	Support Costs £'000	Pension Funds Deficit Adjustment £'000	Total costs 2022 £'000	Total costs 2021 £'000
Raisings funds	283	-	-	-	283	312
Charitable activities:						
Contributions to Archbishop's Council	-	776	-	-	776	794
Resourcing parish ministry	11,963	1,415	1,594	-	14,972	12,461
Education	546	-	-	-	546	491
	<u>12,792</u>	<u>2,191</u>	<u>1,594</u>	<u>-</u>	<u>16,577</u>	<u>14,058</u>

Net income/(expenditure) for the year is stated after charging amortisation £19k (2021: £18k), depreciation £22k (2021: £32k) and audit fees EDBF £23k, EDPS £3k (2021: EDBF £23k, EDPS £3k).

**10. ANALYSIS OF SUPPORT COSTS**

	Unrestricted funds General £'000	Designated £'000	Restricted Funds £'000	Endowment Funds £'000	Total funds 2022 £'000	Total funds 2021 £'000
Central support/administration	1,428	-	16	-	1,444	1,298
Governance:						
External audit of EDBF	23	-	-	-	23	23
External audit of EDPS	3	-	-	-	3	3
Registrar and Chancellor	99	-	-	-	99	85
Synodical costs	25	-	-	-	25	20
	<u>1,578</u>	<u>-</u>	<u>16</u>	<u>-</u>	<u>1,594</u>	<u>1,429</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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11. ANALYSIS OF GRANTS MADE	No.	Individuals £'000	Institutions £'000	Total 2022 £'000	Total 2021 £'000
<b>From unrestricted funds for national Church responsibilities:</b>					
Contributions to Archbishop's Council	6	-	776	776	794
<b>From unrestricted funds:</b>					
Ordinands in training	19	111	-	111	82
Clergy ordination	15	38	-	38	38
Clergy resettlement	28	70	-	70	70
Clergy removals	28	77	-	77	80
Clergy 1 <sup>st</sup> incumbency	14	33	-	33	22
Churches together in Devon	1	-	5	5	5
Mission & Growth Fund	9	-	33	33	-
Church schools – Repairs/improvement	1	-	3	3	6
Support for lay workers	3	-	12	12	16
Transforming Plymouth Together	1	-	15	15	15
Strategic Development Fund-Plymouth	-	-	-	-	119
Partnership in Mission					
St Mellitus South West	1	-	35	35	-
Other small grants	33	11	12	23	21
	153	340	115	455	474
<b>From restricted funds for various purposes within resourcing parish ministry:</b>					
Cooper Legacy Fund	4	-	10	10	6
Cooper Armstrong Legacy	-	-	-	-	3
Growth & Mission Fund	2	-	14	14	11
Parish Energy Support grants	318	-	463	463	-
Repairs and Maintenance Grant	1	-	26	26	3
Strategic Development Fund					
Plymouth Partnership in Mission	5	-	108	108	146
Exeter, St Matt's	4	-	137	137	132
Bay Church	4	-	202	202	111
<b>Total</b>	338	-	960	960	412
<b>Total</b>	497	340	1,851	2,191	1,680

Grants paid from designated funds have been included within unrestricted funds.

Cooper Legacy grants approved by the Board at 31 December 2022 but not yet disbursed at that date were £6k.

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**12. STAFF COSTS**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Employee costs during the year were as follows:		
Wages and salaries	1,886	1,934
National insurance contributions	193	187
Pension costs – current year	398	404
	<u>2,477</u>	<u>2,525</u>

The average number of persons employed by the group during the year:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number Restated</b>
Administration and financial management	27	26
Grant funded projects	2	3
Clergy Housing	4	4
Mission, Ministry and Stewardship	15	15
Safeguarding	4	4
Archdeacons' staff	3	4
Education and Schools	11	10
	<u>66</u>	<u>66</u>

The average number of persons employed by the group during the year based on full-time equivalents:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number Restated</b>
Administration and financial management	20.7	20.6
Grant funded projects	1.8	2.8
Clergy Housing	3.7	3.4
Mission, Ministry and Stewardship	11.0	11.5
Safeguarding	3.5	3.4
Archdeacons' staff	2.1	2.1
Education and Schools	9.3	8.7
	<u>52.1</u>	<u>52.5</u>

The numbers of staff whose emoluments (including benefits in kind, but excluding pension contributions) amounted to more than £50,000 were as follows:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
£50,001 – £70,000	3	3
£70,001 – £80,000	2	1
£80,001 – £90,000	1	1
	<u></u>	<u></u>

Pension payments of £75k (2021: £55k) were made for these employees.

All benefits are recognised when either a legal or contractual obligation arises.

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**12. STAFF COSTS (continued)**

**Remuneration of key management personnel**

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the trustees, for planning, directing and controlling the activities of the Diocese. The members of the Senior Management Team were:

Diocesan Secretary	Stephen Hancock
Assistant Diocesan Secretary	Ed Moffatt
Director of Mission & Ministry	Philip Sourbut
Director of Education	Sue Lockwood
Director of Finance and Company Secretary	Neil Williams
Director of People & Safeguarding	Anthea Carter-Savigear
Director of Property	Graham Davies
Director of Communications	Chloe Axford
Strategic Programme Manager	Rafael Krasnodebski
Operations Manager	Annemarie Kendell

Remuneration, pensions and expenses for these 10 employees amounted to £737k (2021: 10 employees, amounting to £700k).

**Trustees' emoluments**

No trustee received any remuneration for services as trustee (2021: none). 8 trustees received travelling and out of pocket expenses, totalling £27k (2021: 8 trustees received £17k) in respect of General Synod duties, duties as archdeacon or area/rural dean, and other duties as trustees.

EDBF is responsible for funding via the Church Commissioners the stipends of licensed stipendiary clergy in the Diocese, other than bishops and cathedral staff. EDBF is also responsible for the provision of housing for stipendiary clergy in the Diocese, including the suffragan bishops, but excluding the diocesan bishop and cathedral staff.

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**12. STAFF COSTS (continued)**

The following table gives details of those clergy trustees who were in receipt of a stipend and/or housing and whether this was provided by EDBF during the year:

	<b>Stipend</b>	<b>Housing</b>
The Right Rev R Atwell	No	No
The Right Rev N McKinnel	No	Yes
The Right Rev J Searle	No	Yes
The Right Rev J Grier	No	Yes
The Very Rev J Greener	No	No
The Ven A Beane	Yes	Yes
The Ven V Breed	Yes	Yes
The Ven D Dettmer	Yes	Yes
The Ven N Shutt	Yes	No
The Rev A Atkins	Yes	Yes
The Rev E Hobbs	Yes	Yes
The Rev T Hockley-Still	Yes	Yes
The Rev P March	Yes	Yes
The Rev M Partridge	Yes	Yes
The Rev S Stayte	Yes	Yes
The Rev J Taylor	Yes	Yes
The Rev Canon Dr M Williams	No	No

**Clergy costs**

EDBF paid an average of 191 full time equivalent (2021: 191) stipendiary clergy and stipendiary licensed lay workers as office holders holding parochial or diocesan appointments in the Diocese, and the costs were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Stipends	5,200	5,131
National insurance contributions	410	438
Pension costs - current year	1,785	1,923
	<hr/>	<hr/>
	7,395	7,492
Pension costs - deficit reduction	(207)	(351)
	<hr/>	<hr/>
	<b>7,188</b>	<b>7,141</b>

The above figures do not include contributions made towards stipends paid by other organisations, e.g. chaplaincies. During the year there were no non-contractual severance benefits paid (2021: £117k; 3 clergy). Agreements have been agreed/signed with 4 clergy, who will leave in 2023. Provision has been made for the payments of £140k. All benefits are recognised when either a legal or constructive obligation arises.

In addition to the stipendiary clergy, the Diocese also has the following other licensed ministry:

- Self-supporting ministers 57 (2021: 54),  
of which 14 (2021: 15) are in training curacies
- Readers 116 (2021: 110)
- Clergy holding licence under seal 37 (2021: 38)

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**12. STAFF COSTS (continued)**

**Clergy costs (continued)**

The stipends of the Diocesan Bishop and Suffragan Bishops are funded by the Church Commissioners and are in the range £38,050 - £46,640 (2021 range: £37,670 - £46,180).

The annual rate of stipend, funded by EDBF, paid to Archdeacons in 2022 was £37,198 (2021: £36,785) and other clergy who were Trustees were paid £27,445 (2021: £27,175).

**13. ANALYSIS OF TRANSFERS BETWEEN FUNDS**

	Unrestricted funds		Restricted	Endowment
	General	Designated	Funds	Funds
	£'000	£'000	£'000	£'000
Improvements to clergy housing	(376)	147	-	229
Purchase of replacement Benefice house	(565)	-	-	565
Purchase of replacement curate's house	(440)	440	-	-
Property transfers from Benefice to Board	-	315	-	(315)
From General Fund to Clergy Housing Repairs	(210)	210	-	-
From General Fund for Clergy Conference	(30)	30	-	-
From Designated to General Fund for properties earmarked for sale	274	(274)	-	-
	<u>(1,347)</u>	<u>868</u>	<u>-</u>	<u>479</u>

**14. INTANGIBLE FIXED ASSETS**

	Website & Software £'000
<b>Cost</b>	
At 1 January 2022	114
Additions	6
	<u>120</u>
At 31 December 2022	
<b>Amortisation</b>	
At 1 January 2022	42
Charge for the year	19
	<u>61</u>
At 31 December 2022	
<b>Net Book Value</b>	
At 31 December 2022	<u>59</u>
At 31 December 2021	<u>72</u>



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**15. TANGIBLE FIXED ASSETS**

	Freehold Properties & Land £'000	Office Equipment £'000	Fixtures & Fittings (inc. PV Panels £'000	Total £'000
<b>Cost</b>				
At 1 January 2022	58,347	298	369	59,014
Additions	1,381	8	-	1,389
Disposals	(1,097)	-	(8)	(1,105)
At 31 December 2022	58,631	306	361	59,298
<b>Depreciation</b>				
At 1 January 2022	-	274	178	452
Disposals	-	-	(3)	(3)
Charge for the year	-	8	13	21
At 31 December 2022	-	282	188	470
<b>Net Book Value</b>				
At 31 December 2022	58,631	24	173	58,828
At 31 December 2021	58,347	24	191	58,562

Freehold properties and land fall into a number of asset classes:

	Glebe Houses (Endowment) £'000	Parsonage Houses (Endowment) £'000	Education Property (Endowment) £'000	Other Houses (Restricted) £'000	Board Property (Designated/ Unrestricted) £'000	Total £'000
At 1 January 2022	11,456	25,404	119	367	21,001	58,347
Additions	14	780	-	-	587	1,381
Disposals	(558)	(10)	-	-	(529)	(1,097)
Transfers (note 13)	-	(315)	-	-	315	-
At 31 December 2022	10,912	25,859	119	367	21,374	58,631

All of the properties in the balance sheet are freehold and are vested in EDBF, except for benefice houses which are vested in the incumbent. Two properties (2021: 2) were previously purchased with the help of value-linked loans from the Church Commissioners; the appropriate share of the net sale proceeds, when the houses are disposed of, will be remitted to the Commissioners, and the related loan liability extinguished. The value of such properties included above amounts to £118k (2021: £118k).

Up to and including 31 December 1999 it was EDBF's policy to include freehold properties at their 31 December 1994 open market value. From 1 January 2000 EDBF adopted the policy not to revalue tangible fixed assets. Whilst previous valuations have been maintained they have not been updated.

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16. FIXED ASSETS INVESTMENTS

	At 1 January 2022 £'000	Additions £'000	Disposals £'000	Transfers £'000	Change in Market Value £'000	At 31 December 2022 £'000
<b>Unrestricted funds</b>						
Listed investments	11,885	110	(110)	-	(1,374)	10,511
Unlisted investments	5	-	-	-	-	5
	<u>11,890</u>	<u>110</u>	<u>(110)</u>	<u>-</u>	<u>(1,374)</u>	<u>10,516</u>
<b>Restricted funds</b>						
Listed investments	3,303	182	(182)	-	(355)	2,948
	<u>3,303</u>	<u>182</u>	<u>(182)</u>	<u>-</u>	<u>(355)</u>	<u>2,948</u>
<b>Endowment funds</b>						
Investment property	15,553	-	(164)	-	10,600	25,989
Listed investments	25,052	-	-	-	(2,935)	22,117
	<u>40,605</u>	<u>-</u>	<u>(164)</u>	<u>-</u>	<u>7,665</u>	<u>48,106</u>
<b>Total EDBF</b>	<u>55,798</u>	<u>292</u>	<u>(456)</u>	<u>-</u>	<u>5,936</u>	<u>61,570</u>

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**16. FIXED ASSETS INVESTMENTS (continued)**

The corresponding historical cost figures are:	<b>Group</b>	<b>EDBF</b>	<b>Group</b>	<b>EDBF</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Unrestricted funds</b>				
Listed investments	7,393	7,393	7,378	7,378
Unlisted investments	5	5	5	5
	<u>7,398</u>	<u>7,398</u>	<u>7,383</u>	<u>7,383</u>
<b>Restricted funds</b>				
Listed investments	1,825	1,825	1,800	1,800
<b>Endowment funds</b>				
Investment property	3,343	3,343	3,355	3,355
Listed investments	<u>12,861</u>	<u>12,861</u>	<u>12,861</u>	<u>12,861</u>
	<u>16,204</u>	<u>16,204</u>	<u>16,216</u>	<u>16,216</u>
<b>Total</b>	<u><u>25,427</u></u>	<u><u>25,427</u></u>	<u><u>25,399</u></u>	<u><u>25,399</u></u>

**Investment property**

- A full list of properties is available for inspection at The Old Deanery.
- All land and buildings held on 31 December 2022 are held on a freehold basis.
- Commercial investment properties were valued as at 31 December 2022 by Stratton Creber Commercial (Chartered Surveyors) on an open market basis and residential properties were revalued by the trustees on an open market value basis. Historic glebe was valued by Savills (Chartered Surveyors) on an open market basis at 31 December 2022.
- The investment properties form part of the Diocesan Stipends Capital Account – see notes 20 – 22.
- The income yield, net of fees/costs, on the value of the property investments held as fixed assets in the year was 1.63% (2021: 2.60%). The total return was 65.25% (2021: 12.29%).
- Investment properties are held to provide an investment return, rather than as programme investments.

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17. DEBTORS – GROUP and EDBF	Group	EDBF	Group	EDBF
	2022	2022	2021	2021
	£'000	£'000	£'000	£'000
Due within one year				
Loans to parishes	29	29	115	115
Loan to St Mellitus College	-	-	40	40
Common Fund	195	195	199	199
Gift aid from EDPS Ltd	-	85	-	71
Current account with subsidiary company	-	88	-	87
Department for Education/ governors	166	166	700	700
Prepayments	238	238	200	200
Other debtors	940	931	861	843
	<u>1,568</u>	<u>1,732</u>	<u>2,115</u>	<u>2,255</u>
Due after more than one year				
Loans to parishes	88	88	61	61
Other debtors and prepayments	22	22	22	22
	<u>110</u>	<u>110</u>	<u>83</u>	<u>83</u>
<b>Total debtors</b>	<u><u>1,678</u></u>	<u><u>1,842</u></u>	<u><u>2,198</u></u>	<u><u>2,338</u></u>
18. CREDITORS: amounts falling due within one year				
	Group	EDBF	Group	EDBF
	2022	2022	2021	2021
	£'000	£'000	£'000	£'000
Trade creditors	135	135	94	94
Taxation and social security	58	43	85	47
Other creditors and accruals	1,527	1,525	962	959
Proceeds of property sold by Board payable to external organisations	51	51	51	51
Receipts in advance	105	87	103	81
CBF Loans – Photovoltaic Panels (parsonages)	34	34	34	34
NatWest Loan – CBiLS	400	400	133	133
Pension scheme liabilities				
Clergy Pension Scheme	-	-	350	350
<b>Total creditors: amounts falling due within one year</b>	<u><u>2,310</u></u>	<u><u>2,275</u></u>	<u><u>1,812</u></u>	<u><u>1,749</u></u>

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**19. CREDITORS: amounts falling due after more than one year**

	Group 2022 £'000	EDBF 2022 £'000	Group 2021 £'000	EDBF 2021 £'000
Loan repayment instalments due after more than one year				
CBF Loans – Photovoltaic Panels (parsonages)	-	-	34	34
NatWest Loan – CBILS	1,067	1,067	1,733	1,733
Church Commissioners value-linked loans	119	119	119	119
<b>Total creditors: amounts falling due after more than one year</b>	<b>1,186</b>	<b>1,186</b>	<b>1,886</b>	<b>1,886</b>

	2022 £'000	2021 £'000
The maturity of the above loans may be analysed as follows:		
Between one and two years	400	167
Between two and five years	667	1,600
In five years and more	119	119
	<b>1,186</b>	<b>1,886</b>

The loans with CBF are repayable over 10 years by equal annual instalments. Interest is calculated on a daily basis and is payable semi-annually. All CBF loans are repayable within 5 years. The monthly interest rate is the average rate declared by the CCLA Deposit Fund over the month, plus 0.55%.

The loan with NatWest is repayable over 5 years by equal instalments, starting in September 2021. The interest rate is fixed at 2.66% per annum and the loan can be repaid early at any point without penalty. The loan is secured by a floating debenture over EDBF's assets.

Value-linked loans (VLLs) represent amounts advanced to EDBF for the purchase of two properties on an equity sharing basis and are repayable on the disposal of the related property. As at 31 December 2022 the Board had no intention of disposing of either of the properties funded via VLLs.

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20. SUMMARY OF FUND MOVEMENTS

	Balances at 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and Losses £'000	Balances at 31 December 2022 £'000
<b>UNRESTRICTED FUNDS</b>						
General	9,814	12,284	(12,170)	(1,347)	(1,380)	7,201
Church Buildings Fund	685	1	-	-	6	692
Board Properties	20,148	-	-	628	-	20,776
Clergy Housing Repairs	565	-	-	210	-	775
Diocesan Mission Funds	276	-	-	(200)	-	76
Diocesan Mission & Growth Fund	-	-	(33)	200	-	167
Clergy Conference Fund	156	-	(122)	30	-	64
Burrington School Fund	34	-	-	-	-	34
Plymouth SDF Project	74	-	(21)	-	-	53
Miscellaneous Funds	166	-	-	-	-	166
	22,104	1	(176)	868	6	22,803
<b>RESTRICTED FUNDS</b>						
Diocesan Pastoral Account	4,204	82	(15)	-	(366)	3,905
Diocesan Stipends Income	-	2,135	(2,135)	-	-	-
Bampton School sale	314	-	-	-	-	314
Agricultural/Rural	10	-	-	-	-	10
Retired Clergy Housing	259	6	-	-	11	276
Growth & Mission Fund	811	11	(132)	-	-	690
Strategic Development Projects	7	624	(620)	-	-	11
Ministerial Education Training	-	273	(273)	-	-	-
Strategic Ministry Fund	-	318	(318)	-	-	-
Clergy Widows	99	-	-	-	-	99
Cooper Legacy	16	-	(10)	-	-	6
Miscellaneous Restricted Funds	23	527	(547)	-	-	3
	5,743	3,976	(4,050)	-	(355)	5,314
<b>ENDOWMENT FUNDS</b>						
<b>Permanent</b>						
Dr Nobbs	92	-	-	-	(10)	82
<b>Expendable</b>						
Diocesan Stipends Capital	45,215	1,253	-	14	8,211	54,693
Benefice Property	26,782	100	-	465	-	27,347
Church Schools	4,368	-	-	-	(432)	3,936
The Church College Hostel Trust	884	-	-	-	(104)	780
	77,341	1,353	-	479	7,665	86,838
<b>EDBF Total funds</b>	<b>115,002</b>	<b>17,614</b>	<b>(16,396)</b>	<b>-</b>	<b>5,936</b>	<b>122,156</b>
<b>Subsidiaries</b>						
<b>General Funds</b>						
EDPS Ltd	9	181	(181)	-	-	9
<b>Group Total</b>	<b>115,011</b>	<b>17,795</b>	<b>(16,577)</b>	<b>-</b>	<b>5,936</b>	<b>122,165</b>

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**21. SUMMARY OF ASSETS BY FUND**

	Tangible/ Intangible Fixed Assets £'000	Investments £'000	Current Assets £'000	Creditors £'000	Net Assets £'000
<b>Unrestricted funds – General</b>	736	10,400	(1,259)	(2,676)	7,201
<b>Unrestricted - designated</b>					
Church Buildings Fund	-	117	575	-	692
Board Properties	20,893	-	2	(119)	20,776
Clergy Housing Repairs	-	-	775	-	775
Diocesan Mission Funds	-	-	79	(3)	76
Mission & Growth Fund	-	-	167	-	167
Clergy Conference Fund	-	-	64	-	64
Burrington School Fund	-	-	34	-	34
Plymouth SDF Project	-	-	61	(8)	53
Miscellaneous Designated Funds	-	-	166	-	166
	20,893	117	1,923	(130)	22,803
<b>Restricted</b>					
Diocesan Pastoral Account	-	2,761	1,144	-	3,905
Diocesan Stipends Income	-	-	114	(114)	-
Bampton School sale	-	-	314	-	314
Agricultural/Rural	-	-	10	-	10
Retired Clergy Housing	346	186	(256)	-	276
Growth & Mission Fund	-	-	692	(2)	690
Strategic Development Fund Projects	-	-	47	(36)	11
Ministerial Education Training	-	-	157	(157)	-
Strategic Ministry Fund	-	-	83	(83)	-
Clergy Widows	21	-	78	-	99
Cooper Legacy	-	-	6	-	6
Miscellaneous Restricted Funds	-	-	266	(263)	3
	367	2,947	2,655	(655)	5,314
<b>Endowment</b>					
<b>Permanent</b>					
Dr Nobbs	-	76	6	-	82
<b>Expendable</b>					
Diocesan Stipends Capital	10,912	43,994	(213)	-	54,693
Benefice Property	25,860	-	1,487	-	27,347
Church Schools	119	3,256	561	-	3,936
Church College Hostel Trust	-	780	-	-	780
	36,891	48,106	1,841	-	86,838
<b>Total EDBF funds</b>	58,887	61,570	5,160	(3,461)	122,156
<b>Subsidiaries</b>					
EDPS Ltd	-	-	44	(35)	9
<b>Total Group funds</b>	58,887	61,570	5,204	(3,496)	122,165

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**22. DESCRIPTION OF FUNDS**

General fund	The general fund is EDBF's unrestricted undesignated fund, available for any of EDBF's purposes without restriction.
Church building fund	This designated fund was created from the previous balances within the new church building and church building repair funds and is used to provide loans for parishes undertaking strategic reviews or major improvements of church buildings.
Board properties	This designated fund represents the properties owned and used by EDBF in the furtherance of its work and includes curates housing.
Clergy housing repairs	This designated fund is used to support spending on the repair and maintenance of clergy housing.
Diocesan Mission funds	These designated funds are all part of the mission and ministry development fund, which provide funds for one-off projects to promote the ministry of the church and its overall mission in the Diocese. The growth fund, together with the mustard seed funds has been set aside specifically to fund initiatives in mission communities.
Diocesan Mission & Growth Fund	This designated fund is available to support local initiatives within Mission Communities to deliver the diocesan priorities, particularly to support work with children, young people and families.
Clergy conference fund	This designated fund provides funding for the diocesan clergy conference, held every three to five years.
Burrington School Fund	This designated fund holds the net proceeds from the sale of the former Burrington School (in 2019), which can be used to support educational purposes.
Plymouth SDF Project	This designated fund was established in 2019 to provide EDBF's agreed funding for the church planting SDF project in Plymouth.
Miscellaneous funds	This designated fund is used for holding monies received by EDBF for supporting specific projects/initiatives.
Diocesan Pastoral account	The diocesan pastoral account was set up under the provisions of the Pastoral Measure 1983. The restricted purposes for which the account may be used under the more recent Diocesan and Pastoral Measure 2011 are:



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**22. DESCRIPTION OF FUNDS (continued)**

Diocesan Pastoral account (continued)

- To defray costs incurred for the purposes of the Measure or any scheme or order made under the Measure except for salaries of regular diocesan employees;
- To make loans or grants for the provision, restoration, improvement or repair of churches and parsonage houses in the Diocese;
- Other purposes of the Diocese or any benefice or parish in the Diocese;
- To make grants or loans to any other Diocese; and
- To transfer funds to the diocesan stipends fund income or capital accounts.

Diocesan stipends income This restricted fund represents the income from the Diocesan Stipends Capital account, which has not yet been applied to pay clergy stipends.

Bampton School sale This restricted fund was created to separately identify the previous Bampton School sale proceeds from the general Church School funds.

Agricultural/rural funds This restricted fund represents donations received to enable the Diocese to provide support to the farming community across the Diocese.

Retired clergy housing This restricted fund comprises the properties and any sale proceeds held for this purpose.

Growth and Mission fund This restricted fund was established in 2015 to provide funding for specific growth initiatives across the Diocese. Three have so far been approved by Diocesan Synod – Growing the rural church, new housing areas and local mission community support.

SDF Projects This restricted fund was established to hold any funding received or due in relation to those projects receiving Strategic Development Funding. EDBF is not deemed to have the benefit of the income associated with these projects until the expenditure has been incurred and claimed accordingly. Any changes to the original submission have to be approved by the Church Commissioners.

Ministerial Education Training

This restricted fund represents the balance at any time on the funding of ordinands training.

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**22. DESCRIPTION OF FUNDS (continued)**

Strategic Ministry Fund	This restricted fund was established in 2020 to manage the grant funding received from the Archbishops' Council to support the appointment of additional stipendiary curates.
Clergy widows	This restricted fund represents properties purchased from donations to provide for clergy widows.
Cooper legacy	This restricted fund, arising from the legacy of Mrs Cooper and is used to provide grants to assist parishes with church building repairs.
Miscellaneous Restricted Funds	This restricted fund represents the unspent balance of donations received for parishes and for managing the ministry in Cranbrook.
Dr Nobbs	This is a permanent endowment held by EDBF for the support of clergy following marriage breakdown.
Diocesan stipends capital	The diocesan stipends capital fund has been created from the diocesan stipends fund capital account assets held on behalf of the Diocese by the Church Commissioners under the Endowments and Glebe Measure 1976 to provide income for clergy stipends. The fund also represents the accumulated sale proceeds of glebe property, sale proceeds of benefice houses and surplus benefice endowments following pastoral reorganisation. Capital funds may be used for the purchase, improvement and maintenance of glebe property and benefice houses. The funds may be invested in the CBF Church of England Property, Investment or Fixed Interest Securities Funds, or simply held on deposit.
Benefice property fund	This restricted fund comprises of benefice houses or the sale proceeds of former benefice houses held on suspense by the Church Commissioners. Although benefice houses are vested in the incumbents for the time being of the benefices concerned, EDBF is obliged to maintain them, to ensure that there are sufficient benefice houses for the pastoral structure of the Diocese; in addition, where a benefice house is no longer required then it is usually transferred into the unrestricted corporate ownership of EDBF.
Church Schools funds	This fund represents premises and endowments vested in EDBF under the Education Act 1993.

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**22. DESCRIPTION OF FUNDS (continued)**

Church College Hostel Trust

This fund supports the Board of Education in all of its statutory powers and duties under various education acts together with the training of teachers in the principles of the Church of England.

**23. CAPITAL COMMITMENTS**

At 31 December 2022 EDBF had capital expenditure commitments authorised but not contracted for of £603k (2021: £992k) and contracted for but not yet due of £0 (2021: £101k).

**24. OPERATING LEASES**

At 31 December 2022 EDBF had future minimum lease commitments under non-cancellable operating lease as follows:

	2022 £'000	2021 £'000
<b>Non-Land &amp; Buildings operating leases:</b>		
Within one year of the balance sheet date	3	24
In the second to fifth years inclusive of the balance sheet date	1	3
	<u>          </u>	<u>          </u>

**25. POST BALANCE SHEET EVENTS AND CONTINGENT LIABILITIES**

There were no post balance sheet events or contingent liabilities at the balance sheet date.

**26. PENSIONS**

EDBF participates in three pension schemes administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of EDBF and the other participating employers. One of these is the **Church of England Funded Pensions Scheme** for stipendiary clergy. The other two are part of the **Church Workers Pension Fund**.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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26. PENSIONS (continued)

These schemes are multi-employer last man standing defined benefit pension schemes for which EDBF is unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with the current and former employees of other entities participating in the scheme. For multi-employer schemes where this is the case, paragraph 28.11 of FRS102 requires EDBF to account for pension costs on the basis of contributions actually payable to the scheme in the year and, where contributions are affected by a surplus or deficit in the scheme, to disclose information about the surplus or deficit and the implications of the surplus or deficit for EDBF. A valuation of each scheme is carried out once every three years.

**Church of England Funded Pension Scheme**

With effect from 1 January 1998, diocesan clergy became members of the Church of England Funded Pensions Scheme. This defined benefit scheme provides benefits based on the National Minimum Stipend in the year before their date of retirement and provides for that part of the benefit that relates to pensionable service after 1 January 1998. Benefits are currently being accrued on the basis of half of the National Minimum Stipend (NMS) being paid as the normal pension on reaching the age of 68 on completion of maximum service of 41.5 years, or 1.25 times this amount for archdeacons, plus a lump sum of three times the pension based on the previous year's NMS payable from the scheme. Pensions in respect of pensionable service before 1 January 1998 will be provided for by the Church Commissioners under the previous arrangements.

EDBF participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SOFA in the year are contributions payable towards benefits and expenses accrued in that year (2022: £1,578k; 2021: £1,572k), plus the figures in relation to the Scheme's deficit highlighted in the table below as being recognised in the SOFA, giving a total charge of £1,435k (2021: £1,579k). In addition, a further £34k (2021: £42k) has been charged in relation to EDBF employees who are also in this scheme.

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**26. PENSIONS (continued)**

**Church of England Funded Pensions Scheme (continued)**

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% per annum;
- RPI inflation of 3.6% per annum (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030, moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH; and
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI 2020 extended model with a long-term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% per annum and an allowance for 2020 data of 0% (i.e. 2020 = 0%).

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions of 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

% of pensionable stipends	January 2018 to December 2020	January 2021 to March 2022*	April 2022 to December 2022
Deficit repair contributions	11.9%	7.1%	3.2%

\*A deficit repair contribution rate of 7.1% was originally planned for the period January 2021 to December 2022.

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**26. PENSIONS (continued)**

**Church of England Funded Pensions Scheme (continued)**

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and 2022 is set out in the table below.

	2022	2021
Balance sheet liability at 1 January	350,000	694,000
Deficit contribution paid	(207,000)	(351,000)
Interest cost (recognised in SOFA)	-	1,000
Remaining change to the balance sheet liability* (recognised in SOFA)	(143,000)	6,000
Balance sheet liability at 31 December	-	350,000

\* Comprises change in agreed deficit recovery plan and change in discount rate and inflation assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2022	December 2021	December 2020
Discount rate	n/a	0.0% pa	0.2% pa
Price inflation	n/a	n/a	3.1% pa
Increase to total pensionable payroll	n/a	-1.5% pa	1.5% pa

The legal structure of the Scheme is such that if another Responsible Body fails, EDBF could become responsible for paying a share of that Responsible Body's pension liabilities.

**Church Workers Pension Fund – Defined Benefits Scheme**

EDBF participates in the Defined Benefits Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

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**26. PENSIONS (continued)**

**Church Workers Pension Fund – Defined Benefits Scheme (continued)**

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer, as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SOFA during the year are contributions payable towards benefits and expenses accrued in that year (2022: £141k; 2021: £137k). As there is no longer a deficit in the DBS, as highlighted in the table below the total charge recognised in the SOFA was £141k for 2022 (2021: net credit of £838k).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board having taken advice from the Actuary.

A valuation of the DBS is carried out once every three years. The most recently finalised valuation was carried out as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £11.3m.

The next actuarial valuation is due at 31 December 2022.

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**26. PENSIONS (continued)**

**Church Workers Pension Fund – Defined Benefits Scheme (continued)**

Following the 2019 valuation, the Employer entered into an agreement with the Church Workers Pension Fund to pay a contribution rate of 51.3% of pensionable salary and expenses of £11,900 per year. The movement in the provision is set out below:

	2022	2021
Balance sheet liability at 1 January	-	975,000
Deficit contribution paid	-	-
interest cost (recognised in SOFA)	-	5,000
Remaining change to the balance sheet liability* (recognised in SOFA)	-	(980,000)
Balance sheet liability at 31 December	-	-

\* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December 2022	December 2021	December 2020
Discount rate	0.00%	0.00%	0.50%

The legal structure of the Scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

**Pension Builder Scheme**

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two subsections:

- A deferred annuity section known as Pension Builder Classic; and
- A cash balance section known as Pension Builder 2014

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.



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**26. PENSIONS (continued)**

**Pension Builder Scheme (continued)**

Pension Builder Classic provides a pension accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared, is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SOFA in the year are the contributions payable (2022: £223k; 2021: £225k).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the on-going assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1%, following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the on-going assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, EDBF could become responsible for paying a share of the failed employer's pension liabilities.

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**27. RELATED PARTY TRANSACTIONS**

There are no direct related party transactions involving trustees other than the provision of stipends, housing and expenses as set out in note 12 to the consolidated financial statements.

The wife of Giles Frampton (the Chair of the Board of Finance) is a Self-Supporting Minister (unpaid) leading one of our Mission Communities. A parsonage house is provided by EDBF for this role, with any expenses incurred being paid by the Mission Community.

The wife of the Venerable Andrew Beane has been paid to provide consultancy services for social media on the Growing the Rural Church project. She received £4,200 (2021: £1,725) for the provision of this service.

**28. FUNDS HELD AS CUSTODIAN TRUSTEE**

EDBF acts as custodian trustee for many trust funds by virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964 where the managing trustees are parochial church councils and others. Assets held in this way are not aggregated in these financial statements as EDBF does not control them.

The financial assets held in this way may be summarised as follows:

	2022 £'000	2021 £'000
CBF Church of England Investment Fund income shares	12,819	14,821
CBF Church of England Investment Fund accumulation shares	661	748
CBF Church of England Fixed Interest Securities Fund shares	237	300
CBF Church of England Property Fund shares	921	1,080
CBF Global Equity Income Fund	1,066	1,280
Charifund – Income Units	2,517	2,747
Charibond Fixed Interest Income	7	8
Other common investment fund holdings	128	156
Direct holdings in UK gilts	24	41
Other fixed interest stocks	5	6
CBF Church of England Deposit Fund	1,477	1,238
Charles Stanley	690	812
Brewin Dolphin	1,190	1,400
Cash at bank	19	19
Total assets held as custodian trustee	21,761	24,656

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**29. ANALYSIS OF NET DEBT**

	As at 1 January 2022 £'000	Cash flows £'000	At 31 December 2022 £'000
Cash at bank and in hand	2,045	1,447	3,492
Cash equivalents	34	-	34
Debt due after 1 year	(1,886)	700	(1,186)
Debt due within 1 year	(167)	(267)	(434)
	<u>26</u>	<u>1,880</u>	<u>1,906</u>

**30. MONEY HELD AS INTERMEDIARY AGENT FOR OTHERS**

EDBF occasionally holds money as intermediary agents for others as follows:

- In respect of the Board of Education's involvement in the maintenance and improvement of Church of England schools' buildings, money is sometimes held in advance of work being undertaken. At the end of 2022 the sum of £706,000 (2021: £1,706,000) was held in the general bank account for this purpose; and
- The board also holds the Department for Education's Formula Capital funding on behalf of Church of England schools in Devon and the sum so held on 31 December 2022 amounted to £613,000 (2021: £297,000) and was also held in the general bank account for this purpose.

Neither of the above sums is included in the board's Balance Sheet at the year-end.

**31. EDBF LIMITED – LIABILITY OF BOARD MEMBERS**

The Exeter Diocesan Board of Finance Limited is a company limited by guarantee and as such has no share capital. In the event of winding-up, the liability of board members is limited to £1 each.

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**32. SUBSIDIARY UNDERTAKING (EDPS Limited)**

The wholly owned trading subsidiary, EDPS Limited, which is incorporated in the United Kingdom (Registered Company No. 4477446), provides services to Church of England academies and schools. EDBF owns 100% of the issued share capital of two ordinary shares of £1 each. A summary of the trading results is shown below:

	2022 £'000	2021 £'000
<b>Summary profit and loss account</b>		
Turnover	256	273
Cost of sales	(174)	(204)
Gross Profit	<u>92</u>	<u>69</u>
Other operating income	3	6
Administrative expenses	(7)	(3)
Operating profit	<u>88</u>	<u>72</u>
Gift made to parent company	(88)	(72)
Profit/(Loss) after tax	<u><u>-</u></u>	<u><u>-</u></u>
 <b>Assets and liabilities</b>		
Current assets	218	230
Current liabilities	(209)	(221)
Total net assets	<u><u>9</u></u>	<u><u>9</u></u>
 <b>Capital and reserves</b>		
Issued share capital and retained profit	<u><u>9</u></u>	<u><u>9</u></u>

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**33. 2021 Comparative figures by fund**

Due to space constraints within the main body of the accounts, this note shows the breakdown by fund for 2021 for the following notes:

**CONSOLIDATED STATEMENT OF THE FINANCIAL ACTIVITIES**  
**For the year ended 31 December 2021**

	Note	Unrestricted funds General £'000	Designated £'000	Restricted Funds £'000	Endowment Funds £'000	Total funds 2021 £'000
<b>Income and endowments from</b>						
Donations	2					
Parish contributions		8,298	-	-	-	8,298
Archbishop's Council		-	-	1,369	-	1,369
Other donations		194	7	928	-	1,129
Charitable activities	3	656	-	35	-	691
Other trading activities	4	1,581	-	-	-	1,581
Investments	5	391	-	1,024	-	1,415
Other	6	678	-	-	553	1,231
<b>Total income and endowments</b>		<b>11,798</b>	<b>7</b>	<b>3,356</b>	<b>553</b>	<b>15,714</b>
<b>Expenditure on</b>						
Raising funds	7	230	-	82	-	312
Charitable activities	8	10,230	120	3,396	-	13,746
<b>Total expenditure</b>		<b>10,460</b>	<b>120</b>	<b>3,478</b>	<b>-</b>	<b>14,058</b>
<b>Net income/(expenditure) before investment gains</b>		<b>1,338</b>	<b>(113)</b>	<b>(122)</b>	<b>553</b>	<b>1,656</b>
Net gains on investments		1,189	13	364	4,402	5,968
<b>Net income/(expenditure)</b>		<b>2,527</b>	<b>(100)</b>	<b>242</b>	<b>4,955</b>	<b>7,624</b>
<b>Transfers between funds</b>	14	<b>(734)</b>	<b>687</b>	<b>(28)</b>	<b>75</b>	<b>-</b>
<b>Net movement in funds</b>		<b>1,793</b>	<b>587</b>	<b>214</b>	<b>5,030</b>	<b>7,624</b>
<b>Total funds brought forward</b>		<b>8,030</b>	<b>21,517</b>	<b>5,529</b>	<b>72,311</b>	<b>107,387</b>
<b>Total funds carried forward</b>	21	<b>9,823</b>	<b>22,104</b>	<b>5,743</b>	<b>77,341</b>	<b>115,011</b>

All activities derive from continuing activities.

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A2. DONATIONS (2021)

Parish Contributions

The majority of donations are collected from the parishes of the Diocese through the common fund system.

	Unrestricted funds		Restricted	Endowment	Total funds
	General	Designated	Funds	Funds	2021
	£'000	£'000	£'000	£'000	£'000
Current Year assessments	8,996	-	-	-	8,996
Shortfall in contributions	(778)	-	-	-	(778)
	<u>8,218</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,218</u>
Receipts for previous years	80	-	-	-	80
Receipts for future years	-	-	-	-	-
	<u>8,298</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,298</u>

Archbishop's Council

	Unrestricted funds		Restricted	Endowment	Total funds
	General	Designated	Funds	Funds	2021
	£'000	£'000	£'000	£'000	£'000
Lowest Income Communities Funding	-	-	1,207	-	1,207
Transitional funding	-	-	-	-	-
Strategic Ministry funding	-	-	162	-	162
Sustainability funding	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,369</u>	<u>-</u>	<u>1,369</u>

The Lowest Income Communities Funding is the annual grant either for supporting specific parish mission and development projects or for clergy stipends.

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**A2. DONATIONS (2021) (continued)**

**Other Donations and grants**

	Unrestricted funds		Restricted Funds	Endowment Funds	Total funds 2021
	General	Designated	Funds	Funds	2021
	£'000	£'000	£'000	£'000	£'000
All Churches Trust Grant	158	-	-	-	158
Legacies	19	-	-	-	19
Donations and grants	17	7	617	-	641
Resourcing Ministerial Education	-	-	311	-	311
	<u>194</u>	<u>7</u>	<u>928</u>	<u>-</u>	<u>1,129</u>

**A3. CHARITABLE ACTIVITIES (2021)**

	Unrestricted funds		Restricted Funds	Endowment Funds	Total funds 2021
	General	Designated	Funds	Funds	2021
	£'000	£'000	£'000	£'000	£'000
Statutory fees	528	-	-	-	528
Chaplaincy income	36	-	27	-	63
Feed in/Export Tariffs					
- PV panels	37	-	-	-	37
Course/training fees	17	-	1	-	18
Miscellaneous income	38	-	7	-	45
	<u>656</u>	<u>-</u>	<u>35</u>	<u>-</u>	<u>691</u>

**A4. OTHER TRADING ACTIVITIES (2021)**

	Unrestricted funds		Restricted Funds	Endowment Funds	Total funds 2021
	General	Designated	Funds	Funds	2021
	£'000	£'000	£'000	£'000	£'000
Housing income	1,286	-	-	-	1,286
Other rental income	16	-	-	-	16
Trading – EDPS Ltd	279	-	-	-	279
	<u>1,581</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,581</u>

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**A5. INVESTMENT INCOME (2021)**

	Unrestricted funds		Restricted	Endowment	Total
	General	Designated	Funds	Funds	funds
	£'000	£'000	£'000	£'000	2021
					£'000
Dividends receivable	391	-	620	-	1,011
Interest receivable	-	-	-	-	-
Rents receivable	-	-	404	-	404
	<u>391</u>	<u>-</u>	<u>1,024</u>	<u>-</u>	<u>1,415</u>

**A6. OTHER INCOMING RESOURCES (2021)**

	Unrestricted funds		Restricted	Endowment	Total
	General	Designated	Funds	Funds	funds
	£'000	£'000	£'000	£'000	2021
					£'000
Gains on sale of Properties	677	-	-	553	1,230
Surplus on disposal of fixed assets	1	-	-	-	1
	<u>678</u>	<u>-</u>	<u>-</u>	<u>553</u>	<u>1,231</u>

**A7. COSTS OF RAISING FUNDS (2021)**

	Unrestricted funds		Restricted	Endowment	Total
	General	Designated	Funds	Funds	funds
	£'000	£'000	£'000	£'000	2021
					£'000
Glebe agents' fees	-	-	47	-	47
Other glebe expenses	23	-	35	-	58
Trading activities – EDPS Ltd	207	-	-	-	207
	<u>230</u>	<u>-</u>	<u>82</u>	<u>-</u>	<u>312</u>



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**A8. CHARITABLE ACTIVITIES (2021)**

	Unrestricted funds		Restricted Funds	Endowment Funds	Total funds 2021
	General £'000	Designated £'000	£'000	£'000	£'000
<b>Contributions to</b>					
<b>Archbishops' Council</b>					
Training for Ministry	346	-	-	-	346
National Church Responsibilities	242	-	-	-	242
Grants and provisions	30	-	-	-	30
Mission agency pension Costs	16	-	-	-	16
Retired clergy housing Costs	127	-	-	-	127
Pooling of ordinands' maintenance grants	33	-	-	-	33
	<u>794</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>794</u>
<b>Resourcing Ministry and Mission</b>					
Parish Ministry					
Stipends and national Insurance	3,387	-	2,182	-	5,569
Pension costs	1,532	-	40	-	1,572
Housing costs	2,016	-	-	-	2,016
Removal, resettlement and grants	198	-	-	-	198
Clergy Pension Fund Deficit	7	-	-	-	7
Other expenses	255	-	188	-	443
	<u>7,395</u>	<u>-</u>	<u>2,410</u>	<u>-</u>	<u>9,805</u>
<b>Support for parish ministry</b>					
Mission and Ministry	1,052	120	961	-	2,133
Church and Society	57	-	-	-	57
Mission and Ministry grants	-	-	3	-	3
Cooper Legacy grants	-	-	3	-	3
Cooper Armstrong Legacy	-	-	6	-	6
Support services	1,416	-	13	-	1,429
Lay Pension Deficit Fund	(975)	-	-	-	(975)
	<u>1,550</u>	<u>120</u>	<u>986</u>	<u>-</u>	<u>2,656</u>
	<u>8,945</u>	<u>120</u>	<u>3,396</u>	<u>-</u>	<u>12,461</u>
<b>Expenditure on Education and Church of England Schools</b>					
Support for church schools and parishes	491	-	-	-	491
	<u>10,230</u>	<u>120</u>	<u>3,396</u>	<u>-</u>	<u>13,746</u>

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**A9. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS (2021)**

	Activities Undertaken Directly £'000	Grant Funding of Activities £'000	Support Costs £'000	Pension Deficit Fund Adjustment £'000	Total costs 2021 £'000
Raisings funds	312	-	-	-	312
Charitable activities:					
Contributions to Archbishop's Council	-	794	-	-	794
Resourcing parish ministry	11,121	886	1,429	(975)	12,461
Education	491	-	-	-	491
	<u>11,924</u>	<u>1,680</u>	<u>1,429</u>	<u>(975)</u>	<u>14,058</u>

Net income/(expenditure) for the year is stated after charging amortisation £18,000, depreciation £32,000 and audit fees EDBF £23,000, EDPS £3,000.

**A10. ANALYSIS OF SUPPORT COSTS (2021)**

	Unrestricted funds		Restricted Funds £'000	Endowment Funds £'000	Total funds 2021 £'000
	General £'000	Designated £'000			
Central support/administration	1,285	-	13	-	1,298
Governance:					
External audit of EDBF	23	-	-	-	23
External audit of EDPS	3	-	-	-	3
Registrar and Chancellor	85	-	-	-	85
Synodical costs	20	-	-	-	20
	<u>1,416</u>	<u>-</u>	<u>13</u>	<u>-</u>	<u>1,429</u>

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A11. ANALYSIS OF GRANTS MADE (2021)	Nbr.	Individuals	Institutions	Total 2021 £'000
		£'000	£'000	£'000
From unrestricted funds for national Church responsibilities:				
Contributions to Archbishop's Council	6	-	794	794
From unrestricted funds:				
Ordinands in training	24	82	-	82
Clergy ordination	15	38	-	38
Clergy resettlement	29	70	-	70
Clergy removals	30	80	-	80
Clergy 1 <sup>st</sup> incumbency	9	22	-	22
Churches together in Devon	1	-	5	5
Church schools – Repairs/improvements	1	-	6	6
Support for lay workers	4	-	16	16
Transforming Plymouth Together	1	-	15	15
Strategic Development Fund/Plymouth Partnership in Mission	2	-	119	119
Other small grants	35	12	9	21
	151	304	170	474
From restricted funds for various purposes within resourcing parish ministry:				
Cooper Legacy Fund	1	-	6	6
Cooper Armstrong Legacy	1	-	3	3
Growth & Mission Fund	2	-	11	11
Repairs and Maintenance Grant	2	-	3	3
Strategic Development Fund				
Plymouth Partnership in Mission	10	-	146	146
Exeter, St Matt's	3	-	132	132
Bay Church	1	-	111	111
Total	20	-	412	412
Total	177	304	1,376	1,680

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A20 SUMMARY OF FUND MOVEMENTS (2021)

	Balances at 1 January 2021	Income	Expenditure	Transfers	Gains and Losses	Balances at 31 December 2021
	£'000	£'000	£'000	£'000	£'000	£'000
<b>UNRESTRICTED FUNDS</b>						
General	8,021	11,591	(10,253)	(734)	1,189	9,814
Church Buildings Fund	672	-	-	-	13	685
Board Properties	19,864	-	-	284	-	20,148
Clergy Housing Repairs	220	-	-	345	-	565
Diocesan Mission Funds	276	-	-	-	-	276
Clergy Conference Fund	127	-	(1)	30	-	156
Burrington School Fund	27	7	-	-	-	34
Plymouth SDF Project	193	-	(119)	-	-	74
Miscellaneous Funds	138	-	-	28	-	166
	<u>21,517</u>	<u>7</u>	<u>(120)</u>	<u>687</u>	<u>13</u>	<u>22,104</u>
<b>RESTRICTED FUNDS</b>						
Diocesan Pastoral Account	3,791	82	(13)	-	344	4,204
Diocesan Stipends Income	26	2,148	(2,146)	(28)	-	-
Bampton School sale	314	-	-	-	-	314
Agricultural/Rural	10	-	-	-	-	10
Retired Clergy Housing	231	8	-	-	20	259
Growth & Mission Fund	1,023	1	(213)	-	-	811
Strategic Development Projects	8	595	(596)	-	-	7
Ministerial Education Training	-	311	(311)	-	-	-
Strategic Ministry Fund	-	162	(162)	-	-	-
Clergy Widows	99	-	-	-	-	99
Cooper Legacy	18	-	(2)	-	-	16
Cooper Armstrong Legacy	6	-	(6)	-	-	-
Miscellaneous Restricted Funds	3	49	(29)	-	-	23
	<u>5,529</u>	<u>3,356</u>	<u>(3,478)</u>	<u>(28)</u>	<u>364</u>	<u>5,743</u>
<b>ENDOWMENT FUNDS</b>						
<b>Permanent</b>						
Dr Nobbs	81	-	-	-	11	92
<b>Expendable</b>						
Diocesan Stipends Capital	40,830	504	-	10	3,871	45,215
Benefice Property	26,668	49	-	65	-	26,782
Church Schools	3,952	-	-	-	416	4,368
The Church College Hostel Trust	780	-	-	-	104	884
	<u>72,311</u>	<u>553</u>	<u>-</u>	<u>75</u>	<u>4,402</u>	<u>77,341</u>
<b>EDBF Total funds</b>	<u>107,378</u>	<u>15,507</u>	<u>(13,851)</u>	<u>-</u>	<u>5,968</u>	<u>115,002</u>
<b>Subsidiaries</b>						
<b>General Funds</b>						
EDPS Ltd	9	207	(207)	-	-	9
<b>Group Total</b>	<u>107,387</u>	<u>15,714</u>	<u>(14,058)</u>	<u>-</u>	<u>5,968</u>	<u>115,011</u>

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**A21. SUMMARY OF ASSETS BY FUND (2021)**

	Tangible/ Intangible Fixed Assets £'000	Investments £'000	Current Assets £'000	Creditors £'000	Net Assets £'000
<b>Unrestricted funds – General</b>	1,023	11,779	(277)	(2,711)	9,814
<b>Unrestricted - designated</b>					
Church Buildings Fund	-	111	574	-	685
Board Properties	20,265	-	2	(119)	20,148
Clergy Housing Repairs	-	-	565	-	565
Diocesan Mission Funds	-	-	279	(3)	276
Clergy Conference Fund	-	-	156	-	156
Burrington School Fund	-	-	34	-	34
Plymouth SDF Project	-	-	74	-	74
Miscellaneous Designated Funds	-	-	166	-	166
	20,265	111	1,850	(122)	22,104
<b>Restricted</b>					
Diocesan Pastoral Account	-	3,128	1,077	(1)	4,204
Diocesan Stipends Income	-	-	124	(124)	-
Bampton School Sale	-	-	314	-	314
Agricultural/Rural	-	-	10	-	10
Retired Clergy Housing	346	175	(262)	-	259
Growth & Mission Fund	-	-	816	(5)	811
Strategic Development Fund Projects	-	-	37	(30)	7
Ministerial Education Training	-	-	139	(139)	-
Strategic Ministry Fund	-	-	56	(56)	-
Clergy Widows	21	-	78	-	99
Cooper Legacy	-	-	16	-	16
Cooper Armstrong Legacy	-	-	-	-	-
Miscellaneous Restricted Funds	-	-	117	(94)	23
	367	3,303	2,522	(449)	5,743
<b>Endowment</b>					
<b>Permanent</b>					
Dr Nobbs	-	86	6	-	92
<b>Expendable</b>					
Diocesan Stipends Capital	11,456	35,947	(1,839)	(350)	45,215
Benefice Property	25,404	-	1,381	(3)	26,782
Church Schools	119	3,688	561	-	4,368
Church College Hostel Trust	-	884	-	-	884
	36,979	40,605	110	(353)	77,341
<b>Total EDBF funds</b>	<b>58,634</b>	<b>55,798</b>	<b>4,205</b>	<b>(3,635)</b>	<b>115,002</b>
<b>Subsidiaries</b>					
EDPS Ltd	-	-	72	(63)	9
<b>Total Group funds</b>	<b>58,634</b>	<b>55,798</b>	<b>4,277</b>	<b>(3,698)</b>	<b>115,011</b>

For Fund Descriptions, please see note 22 on pages 69 – 72.

