



## “Diocesan Board of Finance 2024 Year End Financial Results”

Wadham Downing  
30<sup>th</sup> June 2025

*As Synod members there are at least three aspects we should focus on in a set of accounts...*



Why focus on this?

An indicator of our current financial sustainability

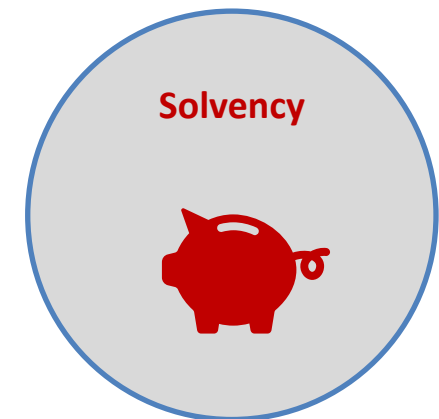
How did we do in 2024?

**Net Operational Position.  
Break even £ in 2024**



An indicator of the resources available to deploy to support activities into the long term (decades and centuries ahead)

**Net assets £90.8m (up 5.8%)**



An indicator of our ability to meet our financial obligations for the foreseeable future.

**£4.7m**

## Performance in 2024

- The **Statement of Financial Activities (Page 21 of Accounts)** shows the total movement between this years and last years Funds .
- Only part of this is the day-to-day operational performance of the Diocese. This is separated out here.
- We focus on the Net Operational Position as an indicator of our current financial stability.
- A few years ago, this was a £1m deficit and much work has been done to bring central costs down, but it remains a challenge.

### Net Operating Position

*Total Operating Income*

*less*

*Total Operating Expenditure*

*plus*

*Transfers from Total Return*

*plus*

*Ministry Support Fund*

**£ Breakeven**



### Special Project Work

*Large grants received & all expenditure spent relating to projects in the year*

**Net to £0.2m**



### Parsonages

*Capital items - sales and purchases in the year*

**£1.1m**



### Investment Gains/ (Losses)

*Investments Income and unrealized gains/ (losses) less total return transfer*

**£3.4m**



**£4.7m** Net Movement in Funds

# Break-even Net Operational Position

- Set out below is the Net Operational Position This is explained in detail in the Understanding Our 2024 Paper.
- The result is after transfers from Total Return, and importantly the transitional support from the Ministry Support fund.

INCOME	£'000	EXPENDITURE	£'000	RESULT £'000
Ministry Share & Ministry Support Fund Donations	£3,883	Parish Ministry	£5,389	
Archbishops' Council Funding	£512	Contributions to Archbishops' Council	£513	
Other Grants and Donations	£371	Support for Ministry	£810	
Fees and Other Income	£648	Support for Schools	£450	
Rental Income	£509	Transformation (unfunded)	£69	
Investment Income (earned on unrestricted general CCLA investments)	£292			
<b>Total</b>	<b>£6,215</b>	<b>Total</b>	<b>£7,231</b>	<b>(£1,016)</b>

TRANSFERS	£'000
Transfer from total return required to achieve the budgeted break-even net operating result	£817
Transfer to special projects (see below)	(£145)
Transfer from Ministry Support Fund	£368
Other transfers between funds	(£21)
<b>Total</b>	<b>£1,016</b>

<b>NET OPERATIONAL POSITION</b>	<b>£0</b>
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£Break-even

# Parish Contributions

- One of the most important parts of the Net Operational Position, and our future financial sustainability, are cash Contributions from Parishes (Opposite as taken from Page 28 of Accounts)
- In 2024 these were £3,883k down 1.8% from £3,953k in 2023.
- Diocesan support from our reserves has risen dramatically this year from from £560k to £761k - or parishes only pay for 55 of our 76 stipendiary clergy.
- This demonstrates that for the financial sustainability of the Diocese we need to grow these parish contributions.
- The challenged is not to be underestimated.

PARISH CONTRIBUTIONS (Note 2 of accounts)	Total Funds 2024 £'000	Total Funds 2023 £'000
Current year's allocation	5,249	5,352
Ministry Support Fund Grants	(368)	(430)
SDF grants	nil	(272)
Lowest Income Communities Grant	(619)	(683)
	4,262	3,967
Shortfall in Contributions	(393)	(130)
Arrears for previous years	(4)	15
Ministry Support Fund Donations	18	101
Total	3,883	3,953

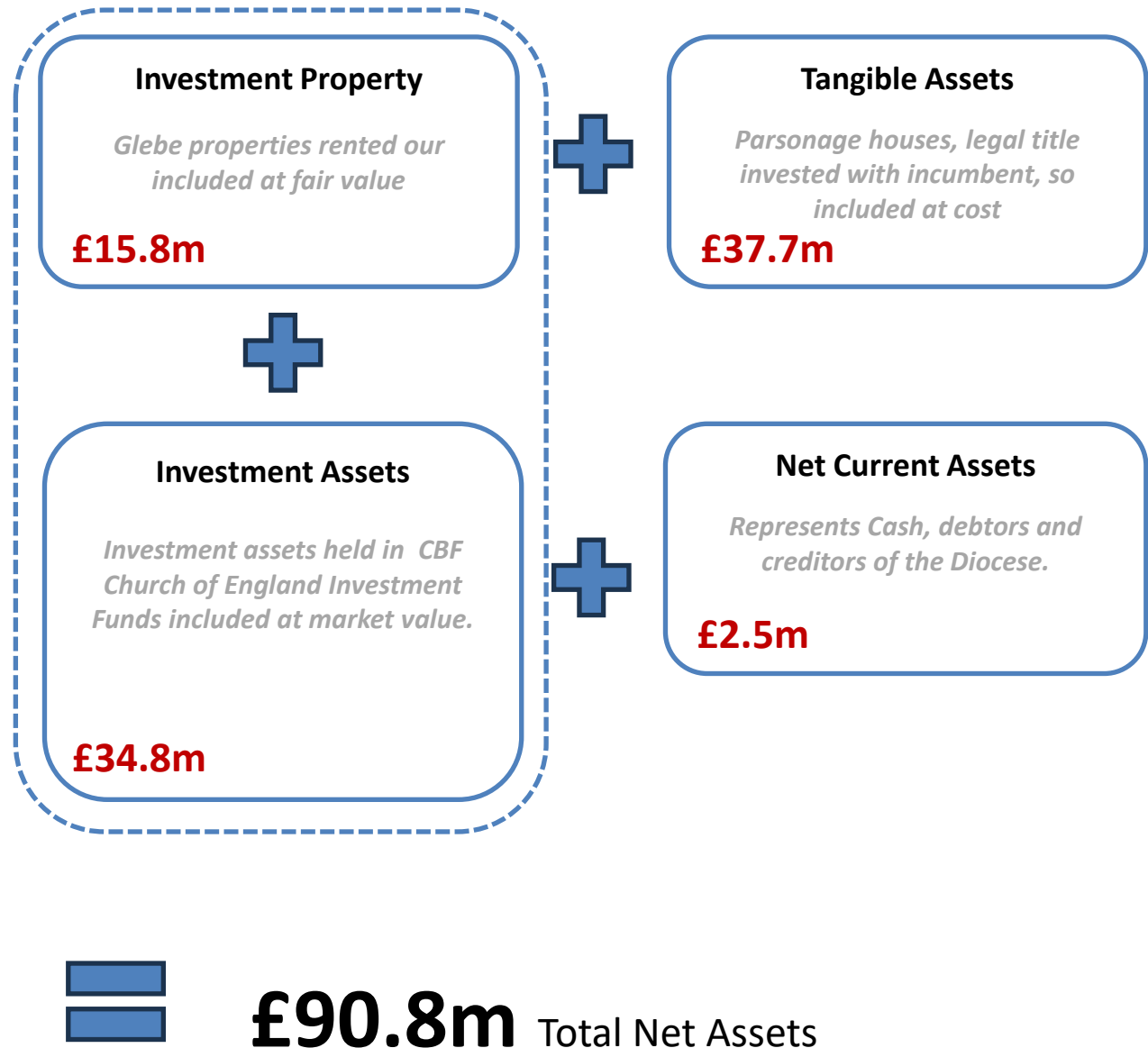
Diocesan Support Each Year

2024 £761k

(2023: £(560)k)

## Balance Sheet Strength

- The **Balance Sheet (Page 23 of Accounts)** shows the assets and liabilities of the Diocese as at 31<sup>st</sup> December 2024.
- All the Diocese assets less its liabilities stands at a £90.8m net asset position.
- Tangible Assets of £37.7m represent the “working assets” of the Diocese, its parsonages. We also hold a small working capital of net Current assets position of £2.5m
- In addition, we hold £50.6m of investment property and assets, which we manage within the Diocesan investment policy. These are held for the long-term, but in 2024 investment markets have been favourable.



- The **Net Assets** from the previous slide are owned by different “funds” which have been set up or donated to the Diocese for certain purposes.
- The majority of these assets are owned by long term endowment funds. These are very useful to support the Diocese in the long term but have limited use to support us in the case of a crisis.
- These endowment funds have very limited powers to convert capital into income, set within a framework of annual drawdown.
- Other funds are set up on purpose to be more flexible. Such as our Unrestricted General Fund (Page 23 of Accounts). We therefore have a reserves policy for these funds of holding at least 4.5 months of expenditure in liquid or easy realisable assets which could be used in for instance a “liquidity crisis”.
- At the end of 2024 we were operating in line with the policy, holding slightly more at 6.0 months expenditure.

### Unrestricted General Funds

#### Illiquid Funds

Illiquid assets such  
as Holland House.

**£1.5m**

#### Liquid Funds



**£4.7m**

#### Equivalent to:

**6.0 months of  
expenditure**



**£6.2m** Fund balance



### Performance



- 2024 performance overall positive in the year
- Concern for falling parish contributions

### Balance Sheet Strength



- Balance sheet strengthened by investment growth
- Transformation programme delivery is required to give growth, and financial stability for generations to come

### Solvency



- An indicator of our ability to meet our financial obligations for the foreseeable future.