

## **The Chelmsford Diocesan Board of Finance**

### **Summarised Financial Statements for the year ended 31 December 2014**

The Statement of Financial Activities ('SOFA') and balance sheet together show a financial summary for the year ended 31 December 2014 for the Chelmsford Diocesan Board of Finance (CDBF). The company SOFA and balance sheet are extracts from the full statutory financial statements.

Consolidated accounts for the Chelmsford Diocesan Board of Finance Group including the Sparrows trading subsidiary are shown in the full statutory financial statements.

The statutory financial statements have been externally audited and the audit report was unqualified. The trustees' annual report and financial statements were approved on 29 April 2015 by the Finance Committee, who are the trustees of the charity. They will be submitted to the Charity Commission and Companies House.

Copies of the trustees' annual report and the full financial statements can be obtained from the diocesan office and will be available on the diocesan and charity commission websites in due course.

#### **General fund**

The SOFA shows an operating deficit of £131,000 on the general fund after transfers, which compares to a deficit of £310,000 in 2013. Around 63 % of the income of the CDBF comes from the Parish Share and 11% from National Church Ministry Support Funding. In 2014 a total of £14.2 million was received in Parish Share, some £983,000 short of share requested. This shortfall was partly offset by other income performing better than expected by £300,000. However expenditure was over budget the main element being clergy housing costs which were £250,000 over budget.

#### **Review of the financial position**

The overall financial result for 2014 has been satisfactory in terms of net outgoing resources of £312,000 (2013: outgoing £580,000). CDBF continued to benefit from tight financial control which we will continue in 2015. The net outflow in funds is partly explained by project work at the Retreat House and expenditure from the Strategic Change fund, which in both cases arises from expenditure of funds raised in previous years for these purposes.

The value of properties held for the use of CDBF and the value of investments assets increased in 2014. The overall value of total funds increased by £15.1m to £235.7m (2013: increase £12.9m to £220.6m).

Free general reserves have reduced to £0.7million from £0.9million. This remains below our target of £1.7million which is the equivalent of one month's gross expenditure. However the Trustees are satisfied with this position, noting the fund balances of designated funds, and anticipate a recovery of free general reserves in the medium term.

**Percy Lomax**  
**Chair of Diocesan Board of Finance**