

# **MANCHESTER DIOCESAN BOARD OF FINANCE**

## **Consolidated Financial Statements**

*for the year ended 31 December 2024*

*Company No 149999 – Registered Charity No 249424*



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## Trustees' Annual Report

## Reference and administrative details

In accordance with the Companies Act 2006, FRS102 and the Charities Statement of Recommended Practice issued in January 2020 (SORP 2020), the Trustees (for the purposes of charity law) and Directors (for the purposes of company law) during the year and as at the date of signing follow.

**Ex-Officio**

The Bishop of Manchester, Rt Revd Dr D Walker  
 The Bishop of Middleton, Rt Revd M Davies  
 The Bishop of Bolton, Rt Revd M Porter  
 The Archdeacon of Bolton and Salford, The Ven Dr R Mann  
 The Archdeacon of Manchester, The Ven K Best  
 The Archdeacon of Rochdale, The Ven D Sharples – To 31 March 2024  
 The Archdeacon of Rochdale, The Ven K Smeeton – From 15 September 2024  
 The Chairman of the Board of Finance, Canon P Blinkhorn – To 19 October 2024  
 The Chairman of the Board of Finance, Canon J Walsh OBE – From 19 October 2024  
 The Dean of Manchester – Very Revd R M Govender  
 The Chair of the House of Laity – Y Mackereth – To 19 October 2024  
 The Chair of the House of Clergy – The Ven Dr R Mann – To 19 October 2024  
 The Chair of the House of Laity – P Geldard – From 19 October 2024  
 The Chair of the House of Clergy – Revd G Thomas – From 19 October 2024

**Elected by Diocesan Synod (1 clergy and 1 laity from each Archdeaconry)****Manchester Archdeaconry**

Clergy	Lay
Revd A Wickens – To 31 December 2024	J Dunkerley
Revd P Hutchins – From 1 January 2025	

**Bolton Archdeaconry**

Clergy	Lay
Revd P Sumsion	K Lewis

**Rochdale Archdeaconry**

Clergy	Lay
Revd M Read - To 31 December 2024	B Micklethwaite – To 31 December 2024
Revd A Sheridan – From 1 January 2025	A Pollock – From – 20 March 2025

**Salford Archdeaconry:**

Clergy	Lay
Revd Canon A Salmon	I Hodcroft - To 31 December 2024
	R Lewis – From 1 January 2025

**Co-opted**

Canon H Lightbourne – To 31 December 2024	J Solomon – From 15 March 2025
Canon P Billson – To 31 December 2024	P Billson – From 15 March 2025
P Geldard - To 31 December 2024	L R Smail – From 15 March 2025
L Mycock - To 31 December 2024	J R F Leaf – From 15 March 2025
Revd G Thomas - To 31 December 2024	K Shahbaz – From 15 March 2025
	P Bull – From 15 March 2025

**Company Secretary**

H Platts

Reference and administrative details (continued)

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[www.manchester.anglican.org](http://www.manchester.anglican.org)

Website

149999 (England & Wales)

Company number

Limited by Guarantee

Legal form

249424

Charity number

Haysmac LLP  
10 Queen Street Place  
London  
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Auditors

Royal Bank of Scotland plc  
St Ann Street  
Manchester  
M60 2SS

Bankers

D M Myers LLB (Hons)  
HLF Berry LLP  
St John's House  
155-163 The Rock,  
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BL9 0ND

Legal Secretary  
Diocesan Registrar

CCLA Investment Management Ltd  
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Investment Managers  
Unlisted Investments

Cazenove Capital  
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Schroder & Co. Limited  
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Suite 2, 3rd Floor,  
1 King St,  
Manchester  
M2 6AW

Glebe Estates,  
Surveyor & Valuer

## Our Vision

Our work together grows out of Jesus's Great Commandment which is to 'love the Lord your God with all your heart and with all your soul and with all your mind...and love your neighbour as yourself'. (Matthew 22: 36-40)...

... and out of his Great Commission, 'to go and make disciples of all nations, baptising them in the name of the Father and the Son and of the Holy Spirit' (Matthew 28:19-20).

Much of what we are doing in Manchester Diocese is already contributing to a culture of hope and an expectation of growth. This includes many forms of inherited as well as fresh expressions of church.

However, we face significant challenges:

- Only 1% of the population attends the Church of England in our diocese – we are in the lowest 25% of dioceses nationally for church attendance.
- Church attendance in our most deprived parishes averages 0.7% of the population.
- Over half of our churches have an average adult weekly attendance of fewer than 35 people.
- We have a large number of church buildings in poor condition and which serve small populations because of demographic changes.

As a diocese, we are completely focused on reversing this decline.

We have made good progress since getting underway with our Transformation Programme, for which we have been awarded over £20m by the Church Commissioners since 2017. Many of us have experienced first-hand how things are changing for the better across the diocese in our parishes, schools and chaplaincies. This is helping us achieve our vision - to be a growing, worshipping, transforming Christian presence at the heart of every community - and our mission goals which are to grow our churches, nurture new and existing disciples, and serve the vulnerable, deprived and excluded.

Our achievements include moving to our new deanery structures, the creation of our 33 mission communities, investing in our lay leaders, supporting children's ministry in each deanery, and increasing the practical support for parishes. Most of these changes have focused on new ways of working together which are becoming embedded in the life of our diocese.

Building on these successes, we are shifting to the next level in setting our priorities and working out what we want to achieve next. Given the excellent start that has been made, we now have the opportunity to be even more creative and ambitious with our plans for the future.

Learning from our recent experience with the new projects and programmes that are underway, we are well-placed to develop the overall strategy and plans for our diocese based on the following distinct but interconnected themes:

- Growing younger
- Church planting and revitalisation
- Developing missional leaders – lay and ordained
- Supporting parish renewal.

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These priorities align with the Church of England's overall vision which is to create a church of missionary disciples, where mixed ecology is the norm, and whose membership is becoming younger and more diverse.

We have been doing great work in the area of **growing younger**, trialling new approaches with the Children Changing Places programme in Bolton, and Man Dio Growing Faith in the other deaneries. We are now bringing this experience and learning together to develop a comprehensive approach to engaging with children, young people, and their families across our diocese. Our particular focus is on how best to strengthen the links between our churches and our church schools.

We have had similar successes with **church planting and revitalisation**. Over the last seven years, we have set up four new resource churches and over ten church plants. We now want to build on this learning, so that churches carrying a DNA of mission are established across our diocese particularly in communities where attendance is low.

**Developing missional leaders** is a key priority for us. We recognise the importance of investing in our clergy so they are equipped to grow our churches, especially given the number of newly ordained clergy who are being appointed to stipendiary roles. As a diocese we continue to focus on developing our lay people, particularly through our Authorised Lay Ministry, focal ministry and Reader programmes. These developments will inform our future plans for lay ministry to which we remain fully committed. Supporting clergy and lay vocations so we develop a new, diverse generation of church leaders with the calling and skills to grow new faith communities, continues to be important to us.

Providing direct support to ensure **parish renewal** is central to our Transformation Programme. Our Area Deans and Lay Chairs are working closely with our parishes to understand the opportunities and challenges they face and make sure they have access to the support they need. Mission communities are key to this, enabling parishes to work together on mission and ministry. Clergy deployment, parochial reorganisation and supporting our most fragile churches are important strands of this work. We are also strengthening the support we provide to church officers with training, resources and new technology.

Supporting our international congregations is key to achieving **racial justice**, as is ensuring that our clergy and lay leaders represent the diversity of our diocese in their governance roles.

We will continue our work towards the 2030 **net zero carbon** goal set by General Synod, by supporting our churches and schools with measuring their energy use and taking simple, practical steps to reduce their carbon footprint.

We continue to provide a safe environment for all by promoting effective **safeguarding**.

Across our diocese, people hold diverse views and express their faith through different traditions, united in a passion for Jesus Christ and his Church. Our bishops honour these differences by inviting church communities from across our diocese to learn together, support one another and listen to God.

We are working to ensure that we are financially sustainable over the medium- to long-term as we recover from the challenges of the pandemic and the cost-of-living crisis. This includes talking with parishes about mutual support and the need to pay Parish Share so that the current levels of stipendiary clergy – 175 – can be maintained. We are also paying close attention to the management of the diocese's assets to ensure optimal investment returns and capital growth.

Our emerging strategy is enabling us to bring together the key areas of opportunity and challenge in our diocese, so that we can support each other in a positive and co-ordinated

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way. We need to continue to work together to ensure that our Church thrives and grows, supporting even more people in their faith. Developing positive, inspiring and relevant plans for the future mean that we will be well placed to make a bid for significant further funding to the Church Commissioners for this vital work.

### About the Diocese

The Diocese of Manchester is one of 42 dioceses in the Church of England, each of which is led by a Bishop.

Manchester Diocese serves a vibrant, dynamic and creative community in the North West of England. It covers an area of 416 square miles and has a total population of 2.2 million. The diocese is divided into four archdeaconries, seven deaneries and 33 mission communities. There are more than 300 places of worship and chaplaincies, which are organised into 256 parishes and 175 benefices.

Geographically, the diocese takes in the two cities of Salford and Manchester and the metropolitan boroughs of Oldham, Rochdale, Bury and Bolton. Parts of the metropolitan boroughs of Wigan, Trafford, Stockport, Tameside and Blackburn with Darwen, and most of the borough of Rossendale in Lancashire, are also within the diocese. It has the fourth highest population density of any diocese in the Church of England.

While predominantly urban, a significant portion of the diocese is rural, although less than 3% of the diocese's population resides in these areas. 125 (48%) of our parishes fall within the 10% most deprived areas nationally. Additionally, 25% of the population in the diocese identifies as having a Global Majority Heritage background.

Parishes and chaplaincies across our diocese are supported by the Diocesan Board of Finance, based at St John's House in Bury town centre. This team works with churches and congregations across the diocese to achieve our strategy and our mission goals. It also provides support with clergy stipends and housing, finance, safeguarding and governance.

Across the diocese, 193 Church of England primary and secondary schools educate over 58,000 pupils. These schools are mostly funded by local authorities, with the diocese providing support with religious education and Christian ethos, governance, the recruitment of head teachers, admissions, and building projects. The team which supports these schools is also based at St John's House, as part of the Diocesan Board of Education.

### Activities and Key Achievements in 2024

Our parishes, chaplaincies and schools are engaging with the four themes of growing younger, church planting and revitalisation, developing missional leaders and parish renewal. In 2024 we made significant progress across these areas, celebrating key milestones in ministry and community outreach. The progress made in the past year has been a testament to the commitment and dedication of all those who contribute to the life of the Diocese of Manchester.

#### ***Growing Younger***

We are uniquely placed to raise our ambitions for children and young people coming to faith and participating in the Church of England, thanks to our recent successes with the Children Changing Places programme in Bolton and the Man Dio Growing Faith programme. With over 180 Church of England primary schools and 13 secondary schools in our diocese, educating over 58,000 pupils every day, we have a particular opportunity to strengthen the engagement between our parishes and their local schools.



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### **Research**

A research project was undertaken during 2024 to ascertain the breadth and variety of ministry with and for children and young people in our churches and schools across the diocese. This is now informing the diocesan-wide strategy for children and young people.

### **Children Changing Places**

The Children Changing Places Programme continues to engage children, young people, and families in activity that creates new discipleship pathways and supports the growth of the Christian faith in schools, parishes, and the home. In 2024, 'Beyond' resources were launched to support churches and schools in helping children process their feelings and discover tools to assist them as they move from Year 6 to Year 7.

### **Shades Racial Justice and Faith Project**

The Shades racial justice and faith project has been supporting schools and churches to be a place of belonging and flourishing for everyone. Shades activities help schools and churches to create safe spaces for dialogue and learning, empowering children, young people and adults to celebrate diversity to champion difference and to put love into action as modelled through the life of Jesus. This project developed out of discipleship approaches being delivered as part of the Children Changing Places project and includes Shades Collective Worship, Shades Identity and Faith Workshops, Shades Ambassadors (discipleship) groups and Shades CPD sessions for school staff teams. New Shades workers have been employed in 2024, funded by the Church Commissioners, to increase the team's capacity to respond to the demand in schools.

### **Man Dio Growing Faith**

The Man Dio Growing Faith programme encourages children, young people and their families to discover and grow in the love of Jesus. Deanery enablers are working within specific mission communities to support the collaboration with schools and churches and encourage the development of expressions of church that are accessible to children and their families. Examples include Café Church, Creative Church, Outdoor Church and intergenerational midweek worship services.

### ***Church Planting and Revitalisation***

Church planting was key to the formation of Manchester Diocese when it was founded in 1847. The population of the diocese continues to grow today in numbers and diversity and the need for church planting is as great as ever, as we revitalise our historic churches and start new ones.

The aim is for future planting to happen not just through our resource churches and the Antioch Network, but also through our existing parishes and mission communities. To achieve this, we are focusing on leadership, discipleship, evangelism and social action.

### **Fabric Church – Manchester City Centre**

In January, members of Fabric Church held their first service in Ardwick Barracks. This city centre resource church has been launched with support from the Church Commissioners and the Church Revitalisation Trust and is serving the growing population of people - particularly young adults and students - living in Manchester. The church congregation is growing with over 120 regular attendees and will also foster further Christian renewal in the diocese by planting other church communities.

### **William Temple Church, Wythenshawe**

In December we announced the news that the Revd Andy Bird, Curate at St Werburgh's Chorlton will be moving to take up a new post at William Temple Church in Wythenshawe. Andy will lead a team sent from St Werburgh's, aiming to see the renewal of William Temple's mission and ministry in the coming years. St Werburgh's was itself revitalised in 2021; this will be the first planting team sent from this resource church. Andy will begin at William Temple around Easter 2025.

### **Antioch Network**

The annual review for the Antioch Network took place in May 2024 and built on an in-depth assessment carried out in 2023 by Bishop Matthew. The Antioch Network was established in 2018 to begin a movement of small to small churches in the most deprived 20% of parishes in

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Manchester Diocese. The network is led by the Revd John Brett and the Revd Ben Woodfield. The focus is on starting small churches – ideally of 20 to 50 people – among two groups the Church has found it hard to reach: people living on estates from a predominantly white working-class background and ethnically diverse people.

The Antioch Network has established a vibrant missional group of Anglican churches in the diocese with seven churches currently operating with a total of 201 adults and 54 children, and eight people exploring ordination.

### **Revitalisation Grants**

As part of the Transformation Programme, we have been offering Revitalisation Grants of up to £3,000 to parishes for new initiatives that promote mission and ministry. This has proven to be a popular and effective way for parishes to secure funding for missional projects. Since the launch of the awards at the beginning of 2024, 25 parishes have applied for and received funding for a wide range of projects aimed at revitalisation and growth. A total of £150,000 has been allocated from the Transformation Programme to support these grants. The grant is available as a one-off payment of up to £3,000, or up to £15,000 over four years.

### ***Developing Missional Leaders***

#### **Attracting and Supporting Church Officers**

To encourage greater involvement in church officer roles, a range of resources have been developed to provide information about the range of roles available and to encourage people to stand as lay officers in our parishes. A [film with personal testimonies](#) from a wide range of roles was created and a new section on the website developed to provide further details, support and resources for each role, including longer films aimed at encouraging participation.

#### **Lay Training and Development**

We continue to provide extensive development opportunities for lay people through the Foundations for Ministry, Authorised Lay Ministry and General Lay Pathway courses. In September, 129 ALMs were commissioned including 37 new ALMs. In 2024, a further 24 people undertook a variety of General Lay Pathway courses and 13 people took part in the Foundations for Ministry course. The first of a series of Lay Leadership conferences was held in Bolton deanery and these are set to continue in each of the deaneries in our diocese.

#### **Focal Leaders**

The rollout of focal leaders continued across the diocese to support local mission, ministry and growth across our parishes and mission communities.

#### **Ordinations and Reader Licensing**

During Petertide weekend, 18 deacons and 14 priests were ordained to serve in parishes around the diocese. In July, Bishop Matthew admitted ten new Readers and entitled four as Reader Emeritus.

#### **Clergy Training and Development**

We have been investing in our clergy, particularly those who are newly ordained, and supporting clergy vocations to cultivate a new, diverse generation of church leaders with the calling and skills to grow new faith communities. Training for curates continues, alongside a wide range of training courses and ministerial development days for all ordained clergy.

### ***Parish Renewal***

#### **Parish Support**

Area Deans, Parish Support Officers, and Deanery Transformation Support Officers have continued to provide vital support to mission communities and parishes. This support is tailored to the specific needs of each deanery and includes a variety of services such as assisting with mission initiatives, providing financial guidance, helping parishes access grants for church buildings, and organising conferences. Their work is enabling parishes to strengthen their mission and ministry, while supporting long-term sustainability and growth.

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### **Achieving Financial Sustainability**

Discussion and Agreement (D&A) meetings have recently been completed with all parishes. This process has enabled conversations to be held about their finances along with their missional health. Based on this information, a detailed review of all parishes was undertaken to identify those churches which are most at risk and in need of targeted support as well as those which are thriving. This work will help us shape a parish support programme as the basis for the next bid to the Church Commissioners towards the end of 2025.

### **Mission Communities**

At the heart of our inspiring vision for the future are our mission communities which are bringing together the skills and talents of lay and ordained leaders locally. The creation of mission communities is enabling parishes to work closely together in both prayer and action, helping them to engage new disciples, nurture existing disciples and serve their local communities.

Work has taken place to review the role of Mission Community Leaders. The role description has been streamlined to ensure that the expectations are clear and realistic, affirming the prayerful and relational ministry of mission community leaders.

### **Review of Transformation Programme**

As part of our review of progress in implementing the diocese's transformation programme, the Bishop's Leadership Team commissioned an independent evaluation of our new deanery and mission community arrangements. The aim was to identify and build on existing successes, as well as to improve our understanding of how best to support our parishes in their mission and ministry. Olivia conducted face-to-face interviews with a range of individuals across the diocese, and a wider survey was launched in November.

### **Transforming Prayer Community**

In May, our Transforming Prayer Community celebrated its first anniversary with a special Evensong service, during which Bishop Mark recommissioned the community for the year ahead. The community encourages people across the diocese to engage in daily prayer for personal and collective spiritual growth. There is now an active group of almost 1,500 people who are connected, via social media and email, by the simple vocation to pray three prayers: the Lord's Prayer, Our Prayer for Our Diocese and A Prayer for Our Community. At the end of the summer holidays, 40 people met at Debdale Park to participate in a prayer walk and picnic that had been organised by the Transforming Prayer Community and led by Bishop Mark.

### **Sing my Soul Choral Project**

Sing My Soul is a project, funded by the Church Commissioners, which is centred around sacred music within the broader traditional church. The project involves the creation of a choir of ten choral scholars who perform concerts across the diocese with the aim of engaging people with church. Three Associate Choral Leaders have been appointed to work with five churches with the aim of creating a junior and community choir in each church. The project's mission is to grow congregations in line with the journey of faith that is unique to each parish.

### **Safeguarding**

Following the Makin Review and other national safeguarding events, Bishop David wrote to clergy and lay leaders to reaffirm his commitment to safeguarding. Clergy colleagues were encouraged to make time in their Chapter meetings to talk about the impact of these developments in their parishes, including on them personally.

### **Racial Justice**

Throughout the year, we have been continuing to support our international congregations through the work of our Intercultural Mission Enabler. This includes establishing a focus group, and providing advice and guidance to those looking to establish intercultural congregations.

Work is already underway to update and improve the diocese's recruitment and selection processes for DBF employees and clergy posts. We are working to ensure that this reflects best

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practice and informs any development and training provided to parishes with regard to recruitment and selection.

Having formally committed to working for racial justice at Diocesan Synod in 2019 and in the light of progress since then, we were successful with our bid in 2024 to the Racial Justice Unit in December to fund:

- the roll-out of the Shades diversity and anti-racism programme for young people in our schools and parishes
- direct support for our GMH congregations
- development and training for our clergy and lay leaders to promote diversity and inclusion and combat racism
- the provision of small grants for local parish projects.

This programme will be implemented in 2025.

### ***Net Zero Carbon***

Our Church of England schools are the main source of carbon emissions for the diocese, contributing almost 70% of our total emissions, while our church buildings and parsonages contribute 30%. The focus in 2024 was on securing national funding for decarbonisation plans for 54 'high-emitting' churches in the diocese, and piloting measures to ensure that our parsonages are energy efficient. Decarbonisation plans for our schools are already in place - funded by the Diocesan Board of Education. During 2024 the DBE supported schools with accessing funding to help with the implementation of these plans.

Over 100 churches in Manchester Diocese have now achieved Eco Church accreditation. Manchester Cathedral has been awarded Silver Eco Church status, and St John's House received a Bronze Award, marking a significant step towards our goal of becoming a Net Zero Carbon Diocese by 2030. Eco Church, an initiative run by A Rocha UK, supports churches in addressing environmental issues through assessments, guidance, and community engagement.

### ***Other milestones***

#### **Investors in People Gold Award**

Manchester Diocesan Board of Finance and Board of Education have been awarded the Investors in People 'We invest in people' Gold Award, recognising the effective leadership, ongoing support and motivated team based at St John's House. The Investors in People (IIP) assessment framework provides a benchmark against the best performing companies. An assessor carried out employee interviews and reviewed the approach and processes within the organisation to assess our current performance, and suggest improvements for the future. The Gold Award is granted to organisations that demonstrate a clear commitment to their people. Only 17% of IIP-accredited organisations achieve the gold standard, and we have been working towards this for several years.

#### **Celebrating 30 Years of Women's Ministry**

Manchester Cathedral hosted a service to celebrate [30 years since the first ordination of women priests](#). It was an opportunity for colleagues and friends to get together to reflect on all that has been achieved over the last 30 years. A collaborative artwork was also unveiled featuring comments and reflections by women priests from around the diocese. During the service [a short film](#) was shared, which features some of the first women to be ordained in Manchester, those serving as priests today, and the men who have supported them.

#### **University Chaplaincy**

For fifty years, St Peter's House has been the base for ecumenical chaplaincy to the University of Manchester and Manchester Metropolitan University. However, in May 2023, key funders decided to withdraw their support, leading to the decision to wind down the chaplaincy and return the building to its owners. A service to celebrate and close the chaplaincy took place in April 2024.

Despite this change, the chaplaincy's partners, including the Manchester Diocesan Board of Finance, the United Reformed Church, the Manchester Methodist Circuit, and the Baptist Church,

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remain committed to shaping the future of university chaplaincy in Manchester. To this end, we are currently recruiting a full-time Anglican Chaplain to continue supporting the universities and their students.

National Profile

Two films were created for The Church of England’s social media, the first on Ash Wednesday, to mark the beginning of Lent, which involved clergy from across the diocese stepping out into the streets to offer Ashes to Go. The second shared an insight into the Chrism Mass / Renewal of Vows and Blessing of Oils Services which took place on Holy Monday and Holy Tuesday, when clergy and licensed lay leaders from across the diocese gathered together at Manchester Cathedral to share the Eucharist, renew their vows, and bless the sacred oils.

Senior Appointments

In 2024, several significant appointments and transitions took place within the Diocese of Manchester:

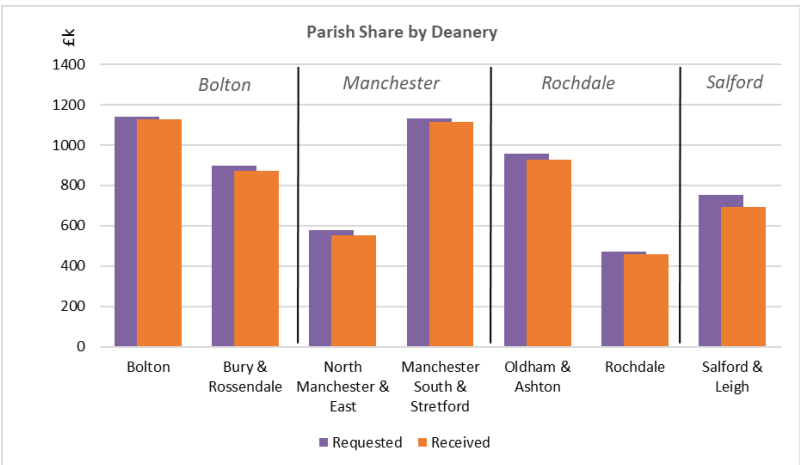
- The Revd Canon Anne Edwards was appointed as the Bishop of Manchester’s Senior Chaplain, following the departure of The Revd Canon Dr Ian Jorysz, who moved to take up the role of Canon Precentor at Manchester Cathedral.
- The Ven Karen Smeeton was appointed as Archdeacon of Rochdale after the retirement of The Ven David Sharples. A service was held to recognise Archdeacon David’s long and faithful service to the diocese, including over forty years in ordained ministry and fourteen years as Archdeacon.
- The Revd Canon Rachel Watts was licensed as the new Director of Vocations, having joined the diocese from the Diocese of Peterborough.
- The Revd Phil Cansdale was appointed as the Director of Mission and Ministry, moving to the diocese from the Diocese of Lichfield, with his role beginning in January 2025.
- Canon John Walsh OBE took on the role of Chair of the Diocesan Board of Finance (DBF). Canon Phillip Blinkhorn, who previously held this role, stepped down and was admitted to the Order of the William Temple. Bishop David expressed his gratitude for Phillip’s nearly five decades of dedicated service to the diocese.

Parish Share and Stewardship

Parish Share

During 2024 the overall amount of Parish Share contributed by parishes towards the cost of ministry and mission support was £5.7m, a decrease of 1.7% compared to £5.8m in 2023.

The individual parish share requests by Deanery, together with contribution by Deanery, are set out in the graph below. (These figures include encouragement scheme credits and exclude prior year receipts):



MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

Share change outcomes

We continue to take steps to ensure our financial viability. Following the review of the Parish Share system in 2022, we undertook the Discussion and Agreement meetings in 2024 with parishes which were organised at Mission Community level. The purpose of the meetings were to discuss and agree a parish share assessment for 2024, 2025 and 2026. The meetings were facilitated by the Parish Support Officer in conjunction with Discussion and Agreement volunteers. Resources on parish share have been created and developed including an animation on parish share.

Giving and Generosity

In 2024 MDBF signed up to two National Church initiatives, the Parish Giving Scheme (PGS) and Cornerstone which will be rolled out in 2025. PGS is a free resource to help churches to offer a simple and secure way for people to give on a regular basis aimed at addressing static giving with the option on inflationary increases. Cornerstone is an online learning platform focusing on the development of giving, generosity, and thankfulness in churches. The online platform has several pathways with resources and guidance to support parishes. We continued to provide support to our parishes with Gift Aid – over 200 churches are members of the Gift Aid Lite scheme.

Strategic Report- Structure and Governance

The Church of England is organised as two provinces each led by an archbishop - Canterbury for the Southern Province and York for the Northern Province. Each province comprises of dioceses, of which there are 41 in England.

Each diocese in England is divided into parishes. Each parish is overseen by a parish priest (usually called a vicar or rector). From ancient times through to today, they and their bishop are responsible for the 'cure of souls' in their parish.

His Majesty the King, who is the Supreme Governor of the Church of England, appoints archbishops, bishops and deans of cathedrals on the advice of the Prime Minister. The two archbishops and 24 senior bishops sit in the House of Lords.

The Church of England is episcopally led - there are over 100 bishops, including diocesan bishops and assistant and suffragan bishops. It is governed by General Synod as its legislative and deliberative body at national level, making decisions on matters of doctrine, the holding of church services and relations with other churches. General Synod passes measures which, if accepted by Parliament, have the effect of Acts of Parliament. It is made up of three groups or houses of members: the Houses of Bishops, of Clergy and of Laity, and meets in London or York at least twice annually to consider legislation for the broader good of the Church.

Summary information about the structure of the Church of England

The Archbishops' Council, the Church Commissioners and the Church of England Pensions Board are sometimes referred to as the three National Church Institutions.

The Archbishops' Council was established in 1999 to co-ordinate, promote, aid and further the mission of the Church of England. Its task is to give a clear sense of direction to the Church nationally and support the Church locally by acting as a policy discussion forum.

The Church Commissioners manage the historic assets of the Church of England, spending most of their income on pensions for the clergy. Financial and other support is also provided for the strategic development of dioceses. The costs of episcopal administration through the diocesan and suffragan bishops are met by the Church Commissioners, except for the provision of housing for suffragan bishops which is met by the Diocese.

The Church of England Pensions Board was established by the Church Assembly in 1926 as the Church of England's pensions authority and to administer the pension scheme for the clergy. Subsequently it has been given wider powers, in respect of discretionary benefits and accommodation, both for those retired from stipendiary ministry and for the widows/widowers of

The three National Church Institutions



## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

those who have served in that ministry, and to administer pension schemes for lay employees of Church organisations.

The Board, which reports to the General Synod, is trustee of a number of pension funds and charitable funds. Whilst the Church has drawn together under the Board its central responsibilities for retirement welfare, the Board works in close cooperation both with the Archbishops' Council and with the Church Commissioners.

Manchester Cathedral is the mother church of the diocese and legally is constituted as a separate ecclesiastical corporation for charitable purposes, governed by common law. Copies of the cathedral's annual report and financial statements may be obtained from the Cathedral Office, the Cathedral, Victoria Street, Manchester, M3 1SX.

The information about General Synod, the Church Commissioners, the Archbishops' Council and Manchester Cathedral is included as background only. The financial transactions of these bodies do not form part of these financial statements.

### The Cathedral

The Parochial Church Council (PCC) is the elected governing body of an individual parish which broadly is the smallest pastoral area in the Church of England. Typically each parish has one parish church. The PCC is made up of the incumbent as chair, the churchwardens and a number of elected and ex officio members. Each PCC is a charity, and those with gross income under £100,000 are currently exempted from registration with the Charity Commission, subject to the Charities Act 2006. Except where shown, the transactions of PCCs do not form part of these financial statements. Financial statements of an individual PCC can be obtained from the relevant PCC treasurer.

### Parochial Church Council (PCC)

A benefice is a parish or group of parishes served by an incumbent who typically receives a stipend and the benefit of free occupation and use of a parsonage house from the diocese for carrying out spiritual duties.

A deanery is a group of parishes over which an area dean has oversight and an archdeaconry is a group of deaneries for which an archdeacon is responsible.

The diocese is the principal pastoral and, in turn, financial and administrative resource of the Church of England, encompassing the various archdeaconries under the spiritual leadership of the diocesan bishop.

### Parishes, Benefices and Deaneries

### *Diocesan Synod*

The diocese is governed by standing orders approved on 18 June 1994 and subsequent amendments. Its statutory governing body is the Diocesan Synod, which is an elected body with representation from all parts of the diocese. Membership consists of ex officio members, including the bishops and archdeacons, clergy members elected by the houses of clergy in deanery synods, lay persons elected by the houses of laity in deanery synods, up to five persons who may be co-opted by the house of clergy or the house of laity and a maximum of ten members nominated by the diocesan bishop. The Diocesan Synod normally meets three times a year. The bishop of the diocese shall be the president of the diocesan synod.

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 bishop where requested;
- deal with matters referred by General Synod; and
- provide for the financing of the diocese.

### Diocesan Governance

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

Many of Diocesan Synod's responsibilities have been delegated to the Bishop's Council, a Standing Committee of the Diocesan Synod.

### *Deanery Synod*

Each deanery synod has two houses, laity and clergy, and its role is to:

- respond to requests from General Synod;
- give effect to the decisions made by the 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 from there to General Synod;
- raise with Diocesan Synod such matters as it considers appropriate; and
- elect members of the deanery to the Diocesan Synod and of the diocese to General Synod.

### *Bishop's Council*

Following the governance review in 2016, the members of Bishop's Council are also trustees of the Manchester Diocesan Board of Finance (MDBF). As well as the delegated functions set out in the Decision Making Structure section below, under the constitution of the Diocesan Synod, Bishop's Council also has the following functions:

- to plan the business of the Synod, to prepare the agenda for its sessions and to circulate to members information about matters for discussion;
- to initiate proposals for action by the Synod and to advise it on matters of policy;
- to advise the President on any matter;
- subject to the directions of the Synod, to transact the business of the Synod when the Synod is not in session;
- subject to the directions of the Synod, to appoint members of committees or nominate individuals for election to committees; and
- to carry out such functions as the Synod may delegate to it.

The Board of Trustees will:

1. Act as directors (for the purposes of company law) and trustees (for the purposes of charity law) of the Manchester Diocesan Board of Finance
2. Be chaired by the Chair or vice Chair of the DBF
3. a) determine strategy and policy in relation to:
  - I. Clergy Stipends (in line with Synodical Ministry deployment policy)
  - II. Revenue Budgets
  - III. Capital Budgets
  - IV. Investments
  - V. The Parish Share system
  - VI. Risk Management
  - b) Monitor the implementation of policy
  - c) Approve draft budget submissions for approval by the Board of Finance and Diocesan Synod
- d) Receive and approve the annual Consolidated Financial Statements
- e) Agree financial sub-structures
- f) Consider any business referred by the DBF, Synod, Bishop's Council or the Finance sub structures



## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

The Board of Trustees has delegated responsibility for the day-to-day management of the company to the Diocesan Secretary / Chief Operating Officer, who is supported by a number of heads of departments and their staff.

The Charity Governance Code was published to help charities and their trustees develop high standards of governance. The code sets out seven principles and recommended practice. Below are the seven principles with an explanation of how MDBF operates against these principles:

- **Organisational Purpose**

The company's vision and mission goals which were agreed by Bishop's Council in 2015 are set out above along with activities and key achievements against these goals during the year. The company produces an annual three year medium term financial plan which is considered by the Finance and General Purposes Committee prior to being approved by Bishop's Council and Diocesan Synod.

- **Leadership**

The Board of Trustees comprises of elected clergy and lay representatives from the Diocesan Synod along with ex officio trustees including the Diocesan Bishop and senior clergy. The trustees may co-opt members on to Bishop's Council to bring skills and knowledge in certain areas. The company has a Staffing Committee which considers matters around pay, grading and restructures.

- **Board Effectiveness**

A skills audit is undertaken to identify any skills gaps and trustee recruitment targeted accordingly. The company operates through a committee structure and the details of these committees (including a brief summary of the remit of each committee) are set out in the section below.

- **Diversity**

The Board of Trustees is made up of individuals who reflect the diversity of the Anglican Church in Manchester. Participation by all members is encouraged through supporting new members through initial induction and ongoing development of Trustees. Meetings are timed to maximise attendance of trustees with work or personal commitments.

- **Integrity**

Induction training for trustees at the start of each three-year cycle covers the importance of collective decision making, acting in an informed and questioning way, and the responsibilities of being a trustee. At the start of meeting members are asked to disclose any conflicts of interests they any have regarding any agenda items; where there is an interest they would be asked to leave the meeting for that item.

- **Decision-Making, Risk and Control**

Formal reports which may be for decision or information are presented to Bishop's Council. For items requiring decision votes are taken and decisions are recorded in the minutes. There is an Audit Committee which responsible for assisting the trustees in the discharge of their responsibilities for accounting policies, risk management, internal control and financial reporting, including liaison with the auditors.

- **Openness and Accountability**

The company prepares a medium term financial plan each year in line with the priorities of the diocese and details are available on the company website.

### Charity Governance Code

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

Performance against budget is monitored throughout the year by the Finance and General Purposes Committee and Bishop's Council.

### Committee Structure

There are a number of Diocesan Synod committees that, though not committees of MDBF, can influence the operations of MDBF.

The statutory committees are:

**Diocesan Mission and Pastoral Committee (DMPC)**, which is responsible for recommending pastoral reorganisations, taking account of available clergy numbers and making use of new patterns of ministry.

**Diocesan Advisory Committee**, which 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.

**Manchester Diocesan Board of Patronage**, which is constituted under the provisions of the Patronage (Benefices) Measure 1986, is sole patron or joint patron of a number of benefices.

Bishop's Council has the following committees, each of which has written terms of reference:

**Property Committee**, which is responsible for exercising the functions of the Diocesan Parsonages Board, as set out in the Repair of Benefices Buildings Measure 1972 together with the exercise of responsibility of the Diocesan Board of Finance as set out in the Endowments and Glebe Measure 1976.

**Investments Committee**, which is responsible for directing and monitoring the investment of the assets of the charity in line with the Board's charitable objectives to promote the mission and ministry of the diocese.

### Company Status and Legal Objects

The company, Manchester Diocesan Board of Finance (MDBF), was formed to manage the financial affairs and hold the assets of the Diocese. It was incorporated on 26 March 1918 as a charitable company limited by membership guarantees (No. 149999) and its governing documents are the Memorandum and Articles of Association. MDBF is registered with the Charity Commission (No. 249424).

At an Extraordinary General Meeting (EGM) in November 2006 the Articles were amended so that with effect from January 2008 every member of Diocesan Synod is also a member of MDBF for company law purposes. A further EGM was held in September 2020 to amend the Articles to facilitate and enable the DBF, the Board of Directors committees and subcommittees to meet and conduct their business remotely.

Every member has a personal liability limited to £1 under their guarantee as company members in the event of it being wound up. The members of the Bishop's Council comprise the Board of Trustees of MDBF – they are its Directors under company law.

The legal objects of the company as set out in the Memorandum of Association are as follows:

'To promote, aid and further, primarily but not exclusively in the Diocese of Manchester (the 'Diocese') the spiritual teaching of the Church of England (the "Church") and maintain the spirit of the doctrines and observances on which it rests and in which it finds expression and to that end.

a) To be the Diocesan Authority within the meaning of the Parochial Church Councils (Powers) Measure, 1921 and the Diocesan Board of Finance within the meaning of the Diocesan Boards of Finance Measure, 1925 for the Diocese whatever may be for the time being the area thereof.

b) To act as a Committee of the Diocesan Conference of the Diocese (the "Conference")

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

c) To act as the Dilapidations Board for the Diocese if so constituted under any scheme of the Conference.

d) To act as the Diocesan Committee of the Diocese for the purpose of any Act of Parliament or Measure passed by the National Assembly of the Church of England or of any scheme of the Church Commissioners.'

*Please note that some of the structures mentioned in these Objects have been superseded by structures established under the Synodical Government Measure, 1969.*

**Finance and General Purposes Committee**, which is responsible for reviewing the financial position in line with income and expenditure, and assessing opportunities and threats to the budget in advance of budget preparation and future financial decision making. This committee has now incorporated the Staffing Committee, which acts on behalf of the trustees on employment practice and the development of human resources. The committee reviews salaries in the MDBF, and approves recommendations for salaries in relation to new posts or regrading of posts. The MDBF has a grading structure with eight pay bands; within each pay band there are three increment points. Posts are allocated a grade with increments or a spot grade; some posts span two grades. The MDBF tracks market rates and occasionally takes part in national benchmarking data collection with other dioceses.

**Audit Committee**, which is responsible for assisting the trustees in the discharge of their responsibilities for accounting policies, risk management, internal control and financial reporting, including liaison with the auditors.

An induction programme for MDBF trustees has been developed as part of a governance review. Further to this, Trustees can also attend training courses and briefings commensurate with their development and in order to fulfil their legal and statutory responsibilities. See above for details of the appointment process.

Some Senior Management Group (SMG) members have 'director' in their job titles but are not directors of the MDBF for the purposes of company law, nor are they Trustees of the charity. The SMG comprises:

Helen Platts	Diocesan Secretary and Chief Operating Officer and Company Secretary
David Weldon	Director of Finance and Corporate Services
Darren Bamford	Director of Land and Property Services
Deborah Smith	Director of Education

### Appointment of Trustees

### **General Synod, Church Commissioners and Archbishops' Council**

MDBF has to comply with Measures passed by the General Synod of the Church of England and is required to make certain annual payments to the Archbishops' Council towards the running costs of the National Church.

### **Parochial Church Councils (PCCs)**

MDBF is required by Parochial Church Councils (Powers) Measure 1956 to be custodian trustee in relation to PCC property, miscellaneous funds and investments, but the company has no control over PCCs, which are independent charities. The accounts of PCCs and deaneries do not form part of these financial statements.

PCCs are able to influence the decision-making within MDBF and at Diocesan Synod level through representations to those bodies and through the input of their Deanery Synods.

### Related Parties

The trustees consider the following to be connected charities:

**Manchester Diocesan Board of Education** - a company limited by guarantee and a registered charity, which has responsibility for 192 church schools across the diocese, provides pastoral and

### Connected Charities

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

professional support to all its schools and has a particular commitment to enhancing the quality of provision for religious education, collective worship and the spiritual, moral, social, and cultural development of all pupils.

The investments, income and expenditure of a separate charity, *JB Stelfox Trust*, have been included in these financial statements, as the Board of Finance is the sole trustee.

The Church of England Pensions Board is responsible for the Clergy Pension Fund and the Church Workers Pension Fund and it is to this body that MDBF pays retirement benefit contributions for stipendiary clergy, licensed lay workers and employees (see note 26).

### Pension Scheme

The trustees confirm that the major risks, to which MDBF is exposed, as identified by the trustees and staff, have been reviewed and that systems and procedures have been established to manage those risks. The trustees delegate to the Audit Committee the task of ensuring that risks are reviewed as part of the risk management strategy. The Audit Committee encourage the Heads of Department to define the risks in their areas, report on the measures in place to manage and monitor these risks and implement procedures and controls designed to minimise any potential impact on MDBF should any of the risks materialise. The key risks are summarised on page 21 below.

### Risk Management

MDBF has responsibility for the management of glebe property and investments to generate income to support the cost of stipends.

MDBF is the Diocesan Authority for parochial and other trusts and incorporates the functions and responsibilities of the Diocesan Parsonages Board.

The trustees are custodian trustees in relation to PCC property.

### Statutory Functions

The trustees of the Board are aware of the Charity Commission's guidance on public benefit in The Advancement of Religion for the Public Benefit and have had regard to it in their administration of the Board.

The Board believes that, by promoting the work of the Church of England in the Diocese of Manchester, it helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the diocese as a whole and in its individual parishes, and that in doing so it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

Information on these benefits is provided throughout this report.

### Public Benefit

## Strategic Report: Financial Review

Group incoming resources were £14.517m (2023: £14.957m).

Donations to the MDBF through Parish Share decreased from £5.792m to £5.694m. The Trustees are very grateful to all the donors in what has been another extremely challenging year.

### Incoming Resources

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

In 2024, around 39% of the income of the MDBF came from the Parish Share and 17% from National Church Selective Allocations.

Group Resources expended were £17.613m (2023: £16.085m). The largest share of MDBF-only expenditure relates to resourcing ministry and mission expenditure, including parish clergy stipends, support staff costs and related costs such as property and related expenditure.

### Expenditure

Overall, the value of the consolidated balance sheet has increased during the year by £2.762m. Key movements in the year included: the revaluation of parsonage properties of £4.584m, together with overall unrealised gain on investments of £1.274m and revaluation of Glebe Investment Properties resulting in a £0.89m unrealised gains (2023: £0.9m loss); and an increase in tangible fixed assets of £4.083m which includes the revaluation of parsonages less disposals in the year. Other movements on the balance sheet include a decrease in cash of £4.758m due to £5m being invested in managed funds, a decrease in debtors of £0.528m; and a decrease in creditors falling due within one year of £0.043m.

### Balance Sheet

The Diocese recorded a deficit on General Unrestricted Funds (including property revaluations and unrealised gains on investments) of £0.849m (consolidated figures). This compares with a deficit of £0.684m in 2023. With the opening General Unrestricted Funds balance of £17.558m and the in-year deficit of £0.849m, the closing reserves now stand at £16.709m.

Looking at Total Funds (Unrestricted Funds, Designated, Restricted and Endowment Funds together), an aggregate surplus of £2.762m including property revaluations and unrealised gains) across all funds was recorded during the year (2023: deficit £0.697m). With the opening Total Funds balance of £126.016m and the in- year surplus of £2.762m, the closing reserves now stand at £128.778m.

### Overall performance

Looking at the company-only figures, the total value of investments (excluding short-term cash deposits) at 31 December 2024 was £33.563m (2023: £30.235m) and the return on investments was 3.89% (2023: 3.51%).

### Glebe investments

Glebe property investments were valued at 31 December 2024 at £2.945m (2023: £4.4m). Rents receivable amounted to £0.223k (2023: £388k) – an income yield of 7.6% (2023: 8.8%).

### General investments

Investments in CCLA's Investment fund, property fund and Short Duration Bond Fund were valued at £16.461m at 31 December 2024 (2023: £16.125m). MDBF also invested £5m with Cazenove in the Sustainable Multi Asset fund during the year which is valued at £5.047m as at 31 December 2024. Dividends receivable amounted to £655k (2023: £499k) – a yield of 3.05% (2023: 3.1%).

Financial investments are split between investments in equities 87.66% (2023: 87.48%) through investment funds, a property fund 11.74% (2023: 11.92%), and Short Duration Bond Fund 0.6% (2023: 0.6%).

Funds which may be needed for working capital in the short term are held as deposits with the Central Board of Finance and on the short-term money markets.

### Investments

Equity loans are made by the Church Commissioners to the diocese and parishes for curates' housing, as well as retired clergy and clergy spouses to enable them to purchase property on a shared equity basis. The total Value Linked Loans advanced at 31 December 2024 amounted to £229k.

### Equity Loans

MDBF has a subsidiary undertaking, the Manchester Diocesan Church House Company Limited, whose principal activity was the provision of a Church House for Investment Property and Diocesan purposes. The property was sold in June 2022. The profit for 2024 after tax was £117k (2023: £109k profit) (see note 18).

## Subsidiary Undertakings

We have made an assessment of the Charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements were approved for release.

Having performed our assessment we were able to conclude that the Charity is able to continue to operate as a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

In making our assessment we did not consider there to be any material uncertainty relating to events or conditions that individually or collectively may cast significant doubt on the Charity's ability to continue as a going concern.

## Going Concern

### Investment policies

MDBF's investment policies are based on two key policies:

**Ethical investment** - this includes ensuring that investments are held in companies which have high standards of corporate governance, promote the care of the environment and act in a responsible way towards stakeholders.

**Long-term responsibilities** - the trustees are aware of their long-term responsibilities in respect of endowed funds and as a result follow a correspondingly prudent approach to investment decisions. The MDBF's investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for the preservation of capital value and the possible need to realise investments to meet operational needs. The glebe investments are held for the purpose of raising income to achieve the maximum contribution possible to fund clergy stipends on an ongoing basis. Unrestricted and restricted fund investments are invested to balance income, liquidity and the maintenance of capital.

### Reserves policy

The target free reserves is currently set at an amount equivalent to a minimum of three months' and a maximum of six months' gross expenditure from unrestricted funds. At 31 December 2024, MDBF's unrestricted general reserves (excluding FRS102 pension liability) were £16.698m (see note 13 to the financial statements), which equates to just over 14 months' gross unrestricted expenditure.

The unrestricted reserves are now above the minimum benchmark of three months. In establishing and maintaining a target level of free reserves, this mitigates the risk of uncertainty over future income or unexpected calls on the charity's funds. The diocese still faces financial challenges with a deficit budget of £1.8m in 2025.

The company holds tangible fixed assets and fixed assets investment across Restricted and Endowment Funds. The tangible fixed assets include parsonage housing and fixed asset investments include investment properties and unlisted investments which provide investment income.

## Policies and Other Matters

### Funds held as a Custodian Trustee on behalf of others

Under the Parochial Church Councils (Powers) Measure 1956, the Board holds as custodian trustee, for a considerable number of parochial and miscellaneous funds, investments with an aggregate market value of £15.032m (2023: £11.061m) which are not included in the balance sheet. These investments are held on behalf of parishes whose charitable purposes are similar to those of the Board of Finance. The assets are held securely and separately from those of the Board which is

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

responsible for their safe custody. Under the same Measure the Board acts as custodian trustee for property belonging to Parishes.

### Principal Risks and Uncertainties

As with other organisations, MDBF faces risks to its operations, finances and reputation. The officers regularly review, evaluate and record major areas of risk to which MDBF is exposed, assessing the likelihood and impact of risks occurring. The MDBF Audit Committee review these risks at their meetings during the year. The outcome of this review is recorded in the MDBF Risk Register. The work undertaken by the Audit Committee is reported to the Finance and General Purposes Committee.

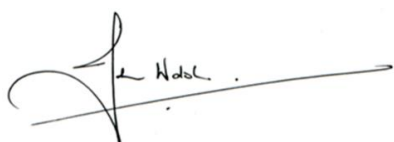
The main risk to MDBF's income is from the impact of COVID-19 and the cost of living challenges in that parish income and expenditure has been significantly affected and parishes are not able to pay their parish share. Work is therefore underway on a medium-term financial strategy from 2026 to ensure that a break-even position can be achieved each year on unrestricted funds. The Trustees also closely monitor the budget set each year to ensure that budget targets are met.

Set out below are the key risks identified which are regularly reviewed by the Charity together with the appropriate control measures:

Key Risks	Control Measures
<b>Missional:</b> <ul style="list-style-type: none"> <li>- Declining Parish Attendance</li> <li>- Unrepresentative congregations</li> <li>- Lack of vocations</li> <li>- Failure to attract clergy</li> <li>- Transformation Programme and SDF project failure</li> </ul>	<ul style="list-style-type: none"> <li>- Transformation Programme – develop Stage 3 bid with a focus on children &amp; young people</li> <li>- Church planting/revitalisation strategy</li> <li>- Governance arrangements for Transformation Programme and SDF projects</li> <li>- Proactive approach to clergy recruitment, deployment and development; investment in new ordinands and first incumbents; focus on creating confident evangelists</li> <li>- Racial Justice Strategy and engagement with international congregations in the diocese</li> <li>- Support to fragile churches</li> </ul>
<b>Financial:</b> <ul style="list-style-type: none"> <li>- Declining levels of Parish Share</li> <li>- Disaffection with the Parish Share system</li> <li>- Reliance on grant funding from national church</li> <li>- Failure to manage within agreed budgets</li> <li>- Failure to maximise investment income</li> <li>- Asset base not managed effectively – surplus parsonages and glebe</li> </ul>	<ul style="list-style-type: none"> <li>- Medium-term financial planning, budgeting and monitoring</li> <li>- Disposal of surplus parsonages and glebe land and property</li> <li>- Cash flow projections</li> <li>- Reinvestment of surplus proceeds from property assets into managed funds</li> <li>- Oversight by Investment Committee, with independent expertise</li> <li>- Improved communication of Parish Share</li> <li>- Direct engagement with parishes not giving Parish Share</li> <li>- Parish Share system kept under review</li> <li>- Support to parishes with stewardship</li> <li>- Maintain close relations with Church Commissioners</li> </ul>
<b>Governance:</b> <ul style="list-style-type: none"> <li>- Lack of candidates for DBF governance and Diocesan Synod</li> <li>- Failure to appoint trustees of sufficient calibre</li> <li>- Lack of candidates for parish-level governance</li> <li>- Ultra vires decisions</li> </ul>	<ul style="list-style-type: none"> <li>- Synod recruitment campaign from January 2024</li> <li>- Invite young people into conversation with the diocese/deaneries/parishes</li> <li>- Governance documentation updated</li> <li>- Training for Bishop's Council members at start of new triennium</li> <li>- Schedule of delegation regularly reviewed</li> <li>- Legal opinion on exceptional decisions</li> <li>- Succession planning for key lay roles</li> </ul>

The Trustees approve the Trustees' Report, which incorporates the Strategic Report.

By Order of the Board on 15<sup>th</sup> May 2025



Canon John Walsh OBE, Chairman



Helen Platts, Chief Operating Officer

### Principal Risks and Uncertainties



## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

### Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report, including the Strategic Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### Disclosure of information to auditors

So far as the Trustees are aware:

- a) there is no relevant audit information of which the charitable company's auditors are unaware, and
- b) we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.



## INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF MANCHESTER DIOCESAN BOARD OF FINANCE

### Opinion on the financial statements

We have audited the financial statements of The Manchester Diocesan Board of Finance for the year ended 31 December 2024 which comprise the Consolidated and Company Statements of Financial Activities, Consolidated and Company Balance Sheets, Consolidated Cash Flow 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 UK 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 of the parent charitable company's affairs as at 31 December 2024 and of the group's and parent charitable company's net movement in funds, including the 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 for 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 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 related 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 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.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### Other Companies Act 2006 reporting

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

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates 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 parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the 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 the 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

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.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to safeguarding vulnerable beneficiaries, health and safety, and employment (including taxation), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, Church of England Measures and VAT law.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fund accounting, including transfers between funds, and revenue recognition. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions;
- Challenging assumptions and judgements made by management in their critical accounting estimates;
- Testing transfers between funds; and

- Cut-off testing in respect of revenue.

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 the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Adam Halsey (Senior Statutory Auditor)

For and on behalf of HaysMac LLP, Statutory Auditor

04/09/2025

10 Queen Street Place

London

EC4R 1AG

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

COMPANY NUMBER: 149999

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2024

		Unrestricted	Restricted	Endowment	Total	Total
		General	Designated	Funds	Funds	Funds
		2024	2024	2024	2024	2023
	Note	£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>						
Donations	2					
Parish contributions		5,694	-	-	5,694	5,792
Archbishops' Council		-	-	2,412	2,412	2,489
Other donations		231	12	348	591	1,161
Other trading activities	3	98	-	-	98	91
Investments	4	1,192	26	397	1,677	1,592
Charitable activities	5	-	-	448	448	452
Other income	6	218	-	3,294	3,597	3,380
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>7,433</b>	<b>38</b>	<b>6,899</b>	<b>147</b>	<b>14,517</b>
<b>Expenditure on:</b>						
Raising funds	8	13	-	69	-	147
Charitable activities	9	10,170	133	7,228	-	15,938
Remeasurement of pension schemes	26	-	-	-	-	-
Pension interest cost	26	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>7</b>	<b>10,183</b>	<b>133</b>	<b>7,297</b>	<b>-</b>	<b>16,085</b>
<b>Net (expenditure) / income before net gains / (losses) on investments and Taxation</b>						
		<b>(2,750)</b>	<b>(95)</b>	<b>(398)</b>	<b>147</b>	<b>(1,128)</b>
Taxation	16	-	-	-	-	-
Net gains / (losses) on investments	23	159	5	98	1,012	188
Property Revaluation	17	333	-	-	4,251	243
<b>Net (expenditure) / income</b>		<b>(2,258)</b>	<b>(90)</b>	<b>(300)</b>	<b>5,410</b>	<b>(697)</b>
<b>Transfers between funds</b>	<b>10</b>	<b>1,409</b>	<b>165</b>	<b>(1,574)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	<b>13</b>	<b>(849)</b>	<b>75</b>	<b>(1,874)</b>	<b>5,410</b>	<b>(697)</b>
Total funds at 1 January	13	17,558	1,363	11,341	95,754	126,016
<b>Total funds at 31 December</b>	<b>13</b>	<b>16,709</b>	<b>1,438</b>	<b>9,467</b>	<b>101,164</b>	<b>126,016</b>

The group's income and expenditure all relates to continuing operations.

The notes on pages 30 to 66 form part of these financial statements.

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

COMPANY NUMBER: 149999

## COMPANY STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2024

		Unrestricted		Restricted	Endowment	Total	Total
		General	Designated	Funds	Funds	Funds	Funds
		2024	2024	2024	2024	2024	2023
	Note	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>							
Donations	2						
Parish contributions		5,694	-	-	-	5,694	5,792
Archbishops' Council		-	-	2,412	-	2,412	2,489
Other donations		3,301	12	348	-	3,661	1,281
Other trading activities	3	98	-	-	-	98	91
Investments	4	1,043	26	397	62	1,528	1,449
Charitable activities	5	-	-	448	-	448	452
Other income	6	233	-	3,294	85	3,612	3,395
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>10,369</b>	<b>38</b>	<b>6,899</b>	<b>147</b>	<b>17,453</b>	<b>14,949</b>
<b>Expenditure on:</b>							
Raising Funds	8	-	-	69	-	69	124
Charitable activities	9	10,170	133	7,228	-	17,531	15,938
Remeasurement on pension schemes	26	-	-	-	-	-	-
Pension interest cost	26	-	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>7</b>	<b>10,170</b>	<b>133</b>	<b>7,297</b>	<b>-</b>	<b>17,600</b>	<b>16,062</b>
<b>Net (expenditure) / income before net gains / (losses) on investments and Taxation</b>							
		<b>199</b>	<b>(95)</b>	<b>(398)</b>	<b>147</b>	<b>(147)</b>	<b>(1,113)</b>
Taxation		-	-	-	-	-	-
Net gains / (losses) on investments	23	159	5	98	1,012	1,274	188
Property Revaluation	17	333	-	-	4,251	4,584	243
<b>Net (expenditure) / income</b>		<b>691</b>	<b>(90)</b>	<b>(300)</b>	<b>5,410</b>	<b>5,711</b>	<b>(682)</b>
<b>Transfers between funds</b>	<b>10</b>	<b>1,409</b>	<b>165</b>	<b>(1,574)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	<b>13</b>	<b>2,100</b>	<b>75</b>	<b>(1,874)</b>	<b>5,410</b>	<b>5,711</b>	<b>(682)</b>
Total funds at 1 January	13	14,598	1,363	11,341	95,754	123,056	123,738
<b>Total funds at 31 December</b>	<b>13</b>	<b>16,698</b>	<b>1,438</b>	<b>9,467</b>	<b>101,164</b>	<b>128,767</b>	<b>123,056</b>

The Company's income and expenditure all relates to continuing operations.  
The notes on pages 30 to 66 form part of these financial statements.

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

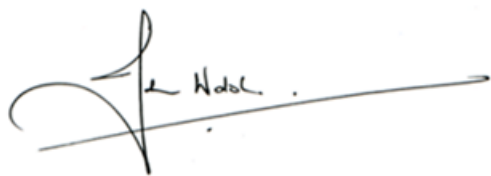
COMPANY NUMBER: 149999

## BALANCE SHEETS

As at 31 December 2024

	Note	Group		Company	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>FIXED ASSETS</b>					
Tangible assets	17	90,445	86,362	90,445	86,362
Investments	18	24,453	20,530	24,534	20,611
		<u>114,898</u>	<u>106,892</u>	<u>114,979</u>	<u>106,973</u>
<b>CURRENT ASSETS</b>					
Debtors	19	4,480	5,009	4,446	4,983
Cash and cash equivalents	20	12,798	17,556	12,679	14,532
		<u>17,278</u>	<u>22,565</u>	<u>17,125</u>	<u>19,515</u>
<b>CREDITORS:</b>					
Amounts falling due within one year	21	(819)	(862)	(758)	(853)
		<u>16,459</u>	<u>21,703</u>	<u>16,367</u>	<u>18,662</u>
<b>NET CURRENT ASSETS</b>					
		<u>131,357</u>	<u>128,595</u>	<u>131,346</u>	<u>125,635</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>131,357</u>	<u>128,595</u>	<u>131,346</u>	<u>125,635</u>
<b>CREDITORS:</b>					
Amounts falling due after more than one year	21	(2,579)	(2,579)	(2,579)	(2,579)
<b>PROVISIONS:</b>					
Deferred tax	27	-	-	-	-
		<u>128,778</u>	<u>126,016</u>	<u>128,767</u>	<u>123,056</u>
<b>NET ASSETS</b>					
		<u>128,778</u>	<u>126,016</u>	<u>128,767</u>	<u>123,056</u>
<b>THE FUNDS OF THE CHARITY</b>					
Endowment funds	13,22	101,164	95,754	101,164	95,754
Restricted income funds	13,22	9,467	11,341	9,467	11,341
Unrestricted income funds:					
General funds		16,617	14,517	16,698	14,598
Designated funds		1,438	1,363	1,438	1,363
Non-charitable trading funds		91	2,999	-	-
Pension scheme reserve		-	-	-	-
Minority interest		1	42	-	-
		<u>18,147</u>	<u>18,921</u>	<u>18,136</u>	<u>15,961</u>
Total unrestricted income funds	13,22	<u>18,147</u>	<u>18,921</u>	<u>18,136</u>	<u>15,961</u>
<b>TOTAL FUNDS</b>		<u>128,778</u>	<u>126,016</u>	<u>128,767</u>	<u>123,056</u>

The notes on pages 30 to 66 form part of these financial statements. The financial statements of the Manchester Diocesan Board of Finance (company number 149999) were approved and authorised for issue by the Board of Directors and are signed on behalf of the Board on 15<sup>th</sup> May 2025 by:



Canon John Walsh OBE, Chairman



Helen Platts, Chief Operating Officer

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2024

Reconciliation of changes in resources to net cash flow from operating activities

See also Note 25

	2024		2023	
	£'000	£'000	£'000	£'000
<b>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</b>		2,762		(697)
Adjustments for:				
Depreciation charges		40		41
(Gains) / Losses on investments		-		(3)
Dividends, interest and rents from investments		(1,677)		(1,592)
Realised (Gains) / Losses on investment property		29		-
(Profit) on the sale of fixed assets		(6)		(721)
Decrease/(Increase) in debtors		529		(3,289)
(Decrease)/Increase in creditors		(43)		2,180
Unrealised (gain) / loss on investments		(383)		(1,104)
Unrealised (gain) on investment property		890		915
Pension adjustment		-		-
Revaluation of other assets		(4,584)		(243)
Taxation		-		-
<b>Net cash used in operating activities</b>		<b>(4,223)</b>		<b>(4,513)</b>
<b>Cash flows from operating activities:</b>				
Net cash used in operating activities		<b>(4,223)</b>		<b>(4,513)</b>
<b>Cash flows from investing activities:</b>				
Dividends, interest and rents from investments	1,677		1,592	
Proceeds from the sale of property, plant and equipment	1,813		2,591	
Proceeds from sale of investments	2,320		90	
Purchase of property, plant and equipment	(1,345)		(748)	
Purchase of investments	(5,000)		-	
<b>Net cash provided by / (used in) investing activities</b>		<b>(535)</b>		<b>3,525</b>
		<b>(4,758)</b>		<b>(988)</b>
<b>Cash flows from financing activities:</b>				
Deficit contributions paid	-		-	
<b>Net cash used in financing activities</b>		<b>-</b>		<b>-</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(4,758)</b>		<b>(988)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>17,556</b>		<b>18,544</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>12,798</b>		<b>17,556</b>

The notes on pages 30 to 66 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 1. PRINCIPAL ACCOUNTING POLICIES

#### Basis of preparation

The group and company have taken advantage of adapting their own arrangements of the headings and subheadings of their financial statements due to the special nature of their business in accordance with the Companies Act 2006. The financial statements have been prepared in accordance with FRS102 the Financial Reporting Standard applicable in the United Kingdom and the Statement of Recommended Practice "Accounting by Charities" (the "SORP") issued in January 2020.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line-by-line basis. The subsidiary company, Manchester Diocesan Church House Company Limited, has prepared its financial statements under the FRS102 section 1A Small Entities.

The financial statements are prepared on the historical cost basis of accounting, except for investments which have been included at revalued amounts, and a summary of the more important accounting policies, which have been consistently applied, is set out below.

The group and company is a public benefit entity and as such has applied the appropriate reporting standards from FRS102.

#### (a) *Income and Endowments*

The principal source of income comes from voluntary giving in the form of parish share. Amounts undertaken to be paid by deaneries but not received by the year end are not accrued as the obligation to pay the sums involved is morally but not legally binding. Income is accounted for when received, except legacies that are included on an accruals basis where receipts are reasonably certain and the amounts receivable can be quantified.

#### (b) *Expenditure*

Expenditure is analysed over the activities undertaken by the Company wherever this is possible. Office and support costs are recharged to operating departments where appropriate. The remaining costs of the Company's offices and administration are shown as support costs within direct charitable expenditure where these relate to the managing and promoting of the Company's charitable activities within the Diocese of Manchester. Costs arising from the administration of the Company as a charity and company are shown as governance costs, in accordance with SORP.

#### (c) *Dividends and interest*

These are included in the financial statements on an accruals basis.

#### (d) *Fund accounting*

Funds held by the company are either:

<b>Restricted funds</b>	Trust and other funds, which may only be used for specific purposes imposed by the settler, donor or legislation.
<b>Permanent endowment funds</b>	Funds where there is no power to convert capital into income. Where the directors have the power to convert endowments into income, these funds are known as expendable endowments.
<b>Unrestricted general funds</b>	Funds which may be used for general purposes without any external restriction.
<b>Unrestricted Designated funds</b>	Unrestricted funds which have been set aside by the Board for purposes designated by diocesan policy; such designations may be changed from time to time according to policy decisions.

Details of the major funds are given in Note 22.



**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**

Continued

**PRINCIPAL ACCOUNTING POLICIES (continued)**

**(e) Stipends**

Clergy stipends and the salaries of licensed lay staff, though a diocesan responsibility, are paid through the Church Commissioners' payroll. The cost of the stipends and salaries paid by the Church Commissioners on behalf of the Company and income received by them centrally are shown gross in these financial statements. However, some dignitaries are paid for mostly or entirely by the Church Commissioners and the relevant costs have been excluded from these financial statements.

**(f) Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost.

Until 2020, Glebe and parsonage houses and other property used by the diocese were included at deemed cost which was either the cost of purchase or the midpoint council tax. In 2022 the trustees decided that as the basis of inclusion represented in many cases neither the historical cost nor the fair value that they would perform a desk top valuation and/or indexation at each year end and this would be included in the balance sheet. This valuation would include an impairment review as required where no depreciation is to be charged. This constitutes a change in accounting estimate as to the value and estimated useful economic life/residual value and as such no prior year adjustment is required.

Houses subject to value-linked loans (previously known as equity sharing loans) are included in the financial statements as fixed assets and loan creditors, where there is a direct liability to the Company relating to such properties. For Value Linked Loan properties which the Company has an equity share, the Company equity value is depreciated in line with the property depreciation rate as confirmed below.

Redundant churches are not included in the financial statements as it is the opinion of the trustees that they are of negligible value.

For all other assets historical cost accounting is applied with depreciation provided as the following rates:

Office Equipment	25% & 33.33% straight line
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**(g) Fixed asset investments**

Investments other than in Glebe land and properties are shown at the bid price on the date of the balance sheet. Glebe land and properties were revalued on 31 December 2024. The valuation provided by WT Gunson on the Millgate Centre is on a gross basis before legal costs and stamp duty as the investment is purely held for the rental income. The Trustees are satisfied that this is the most appropriate methodology for valuation of this site. Proceeds from the sale of Glebe are credited as income to the Stipends Fund Capital Account in the year of receipt.

Investments held by the Company as custodian trustee are not included in these financial statements.

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### PRINCIPAL ACCOUNTING POLICIES (continued)

**(h) *Subsidiary and connected companies***

Details of subsidiary and connected companies are given in note 18 to the financial statements. Consolidated accounts have been produced in accordance with the recommendations of the Charity SORP.

**(i) *Clergy pensions***

The Company contributes to the Church of England Funded Pension Scheme which is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the schemes which are attributable to the Company. Pension scheme contributions are charged to the Statement of Financial Activities in the period to which they relate. Details of the schemes operated by the Company are given in note 26 to the financial statements. Manchester Diocesan Board of Finance has agreed to an additional contribution plan in order to clear pension scheme deficits, details of the repayments and arrangement can be found in note 26 to the financial statements.

**(j) *Staff pensions***

The Company contributes to the Church of England Pension Builder Scheme is a multi-employer pension schemes and it is not possible to identify the assets and liabilities of the schemes which are attributable to the Company and the Church of England Defined Benefits Scheme for other staff. Therefore, in accordance with FRS102, payments to the schemes are accounted for as for defined contribution schemes and the Company accounts for pension costs on the basis of contributions actually payable to the schemes in the year. Following the revaluation of the Church Worker Defined Benefit Scheme (Lay Staff) as at 31 December 2016, this has given rise to a deficit position. Manchester Diocesan Board of Finance has agreed to an additional contribution plan in order to clear pension scheme deficits, details of the repayments and arrangement can be found in note 26 to the financial statements.

**(k) *Reserves***

Funds held for specific purposes and the related income and expenditure are shown in separate reserves under the appropriate headings.

**(l) *Allocation of costs to direct charitable and other expenditure***

Governance costs relate to all administration, depreciation and legal costs incurred in the Company's operation as a charitable company in accordance with SORP. All other costs attributable to the support of direct charitable purposes have been included under the appropriate headings in the Statement of Financial Activities.

**(m) *Grants***

Grants made to parishes, clergy or other diocesan bodies are treated as direct costs in the financial statements. An analysis of grants made is shown in note 9. Grants payable relate to the contribution to National Church costs. Payments to the clergy for removal, training, etc. are included as ministry in parishes or support for ministry in parishes due to the quasi-contractual nature of the payment or training provision.

**(n) *Irrecoverable VAT***

The policy on irrecoverable VAT is to include it with the related expenditure item.

**(o) *Deferred taxation***

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**

Continued

- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**(p) Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements the directors have made judgements where appropriate. The principal uncertainty currently facing the Charity is the impact of the ongoing global COVID-19 outbreak. The trustees continue to monitor the outbreak, including UK Government advice, and acknowledge that the Charity faces a prolonged period of uncertainty. While the evolving nature of the situation means it is not possible to accurately quantify the financial impact, the Charity is in a good financial position to help manage this risk. Steps are being taken, on an ongoing basis, to minimise the impact on activities and the effect this may have on the stakeholders. Infrastructure is in place to allow staff to work remotely and our key priority is to ensure, as far as possible, that our services are still available when needed. A further judgement subject to uncertainty is the valuation of the properties. This estimation has been arrived at with consultation with third party Chartered Surveyors. There is estimation in other areas too such as parish share arrears, outstanding clergy fees. The uncertainty in these areas is considered to be significantly lower.

Significant judgement is also made with respect to defined benefit pensions:

- Pension scheme deficit reduction payments – As explained in note 26, there is a deficit reduction plan in place in respect of Church of England Funded Pension Schemes for stipendiary clergy and in respect of Church Worker Defined Benefit Scheme (Lay Staff). FRS102 requires a liability be recognised in respect of the present value of future contributions payable under the terms of the deficit recovery plan. The incorporation of this liability in the financial statements involves the exercise of judgement in a number of areas, including the use of an appropriate discount rate.

**(q) Going concern**

We have made an assessment of the Charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements were approved for release.

Having performed our assessment we were able to conclude that the Charity is able to continue to operate as a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

In making our assessment we did not consider there to be any material uncertainty relating to events or conditions that individually or collectively may cast significant doubt on the Charity's ability to continue as a going concern.

**(r) Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than 3 months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**(s) Repayable Grant**

In 2023, MDBF secured £2.35m funding from National Church Diocesan Investment Programme towards the purchase of premises for the City Centre Resource Church. This grant is to be repaid over a period of 24 years commencing in 2028. This amount is reflected in debtors and long term creditors.

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### GROUP INCOMING RESOURCES – COMPRISING NOTES 2 TO 6

		Unrestricted General 2024 £'000	Designated 2024 £'000	Restricted Funds 2024 £'000	Endowment Funds 2024 £'000	Total Funds 2024 £'000
	Note					
<b>Income and endowments from:</b>						
Donations	2					
Parish contributions		5,694	-	-	-	5,694
Archbishops' Council		-	-	2,412	-	2,412
Other donations		231	12	348	-	591
Other Trading activities	3	98	-	-	-	98
Investments	4	1,192	26	397	62	1,677
Charitable activities	5	-	-	448	-	448
Other income	6	218	-	3,294	85	3,597
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>7,433</b>	<b>38</b>	<b>6,899</b>	<b>147</b>	<b>14,517</b>

		Unrestricted General 2023 £'000	Designated 2023 £'000	Restricted Funds 2023 £'000	Endowment Funds 2023 £'000	Total Funds 2023 £'000
<b>Income and endowments from:</b>						
Donations	2					
Parish contributions		5,792	-	-	-	5,792
Archbishops' Council		-	-	2,489	-	2,489
Other donations		225	12	924	-	1,161
Other Trading activities	3	91	-	-	-	91
Investments	4	1,002	23	523	44	1,592
Charitable activities	5	-	-	452	-	452
Other income	6	(190)	-	2,326	1,244	3,380
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>6,920</b>	<b>35</b>	<b>6,714</b>	<b>1,288</b>	<b>14,957</b>

### COMPANY INCOMING RESOURCES – COMPRISING NOTES 2 TO 6

		Unrestricted General 2024 £'000	Designated 2024 £'000	Restricted Funds 2024 £'000	Endowment Funds 2024 £'000	Total Funds 2024 £'000
	Note					
<b>Income and endowments from:</b>						
Donations	2					
Parish contributions		5,694	-	-	-	5,694
Archbishops' Council		-	-	2,412	-	2,412
Other donations		3,301	12	348	-	3,661
Other trading activities	3	98	-	-	-	98
Investments	4	1,043	26	397	62	1,528
Charitable activities	5	-	-	448	-	448
Other income	6	233	-	3,294	85	3,612
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>10,369</b>	<b>38</b>	<b>6,899</b>	<b>147</b>	<b>17,453</b>

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

	Note	Unrestricted General 2023 £'000	Designated 2023 £'000	Restricted funds 2023 £'000	Endowment funds 2023 £'000	Total funds 2023 £'000
<b>Income and endowments from:</b>						
Donations	2					
Parish contributions		5,792	-	-	-	5,792
Archbishops' Council		-	-	2,489	-	2,489
Other donations		345	12	924	-	1,281
Other Trading activities	3	91	-	-	-	91
Investments	4	859	23	523	44	1,449
Charitable activities	5	-	-	452	-	452
Other income	6	(175)	-	2,326	1,244	3,395
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>6,912</b>	<b>35</b>	<b>6,714</b>	<b>1,288</b>	<b>14,949</b>

## 2. DONATIONS

### PARISH CONTRIBUTIONS (GROUP AND COMPANY)

The majority of donations are collected from the parishes of the diocese through the parish share system.

	Unrestricted General 2024 £'000	Unrestricted General 2023 £'000
Parish share		
Current year's allocation	5,936	7,708
Shortfall in contributions	(188)	(1,853)
Encouragement scheme	(54)	(63)
	<u>5,694</u>	<u>5,792</u>
Arrears for previous years	-	-
	<u>5,694</u>	<u>5,792</u>

Total parish share receipts represent 95.9% of the allocation

### ARCHBISHOPS' COUNCIL (GROUP AND COMPANY)

	Restricted Funds 2024 £'000	Restricted Funds 2023 £'000
Selective allocations	2,412	2,489
<b>TOTAL</b>	<u>2,412</u>	<u>2,489</u>

### OTHER DONATIONS (GROUP)

	Unrestricted General 2024 £'000	Designated 2024 £'000	Restricted Funds 2024 £'000	Endowment Funds 2024 £'000	Total funds 2024 £'000	Total funds 2023 £'000
All Churches Trust	177	-	-	-	177	206
Donations	50	-	212	-	262	211
Legacies	2	-	4	-	6	-
Other	2	12	132	-	146	744
<b>TOTAL</b>	<u>231</u>	<u>12</u>	<u>348</u>	<u>-</u>	<u>591</u>	<u>1,161</u>

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### OTHER DONATIONS (COMPANY)

	Unrestricted		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds 2024	Funds 2024	2024	2023
	2024	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
All Churches Trust	177	-	-	-	177	206
Donations	50	-	212	-	262	211
Transfer of proceeds from Subsidiary						
Company	3,070	-	-	-	3,070	120
Legacies	2	-	4	-	6	-
Other	2	12	132	-	146	744
<b>TOTAL</b>	<b>3,301</b>	<b>12</b>	<b>348</b>	<b>-</b>	<b>3,661</b>	<b>1,281</b>

### 3. OTHER TRADING ACTIVITIES (GROUP AND COMPANY)

	Unrestricted		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds 2024	Funds 2024	2024	2023
	2024	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Rental income from parsonages	98	-	-	-	98	91
Income of the Trading Subsidiary	-	-	-	-	-	-
<b>TOTAL</b>	<b>98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>98</b>	<b>91</b>

### 4. INVESTMENTS (GROUP)

	Unrestricted		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds 2024	Funds 2024	2024	2023
	2024	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Dividends receivable	394	22	61	-	477	387
Interest receivable	798	-	-	-	798	706
Glebe receivable	-	-	221	-	221	386
Trusts receivable	-	4	115	62	181	113
<b>TOTAL</b>	<b>1,192</b>	<b>26</b>	<b>397</b>	<b>62</b>	<b>1,677</b>	<b>1,592</b>

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### 4. INVESTMENTS (COMPANY)

	Unrestricted General 2024 £'000	Designated 2024 £'000	Restricted Funds 2024 £'000	Endowment Funds 2024 £'000	Total funds 2024 £'000	Total funds 2023 £'000
Dividends receivable	394	22	61	-	477	387
Interest receivable	649	-	-	-	649	563
Glebe receivable	-	-	221	-	221	386
Trusts receivable	-	4	115	62	181	113
<b>TOTAL</b>	<b>1,043</b>	<b>26</b>	<b>397</b>	<b>62</b>	<b>1,528</b>	<b>1,449</b>

### 5. CHARITABLE ACTIVITIES (GROUP AND COMPANY)

	Unrestricted General 2024 £'000	Designated 2024 £'000	Restricted Funds 2024 £'000	Endowment Funds 2024 £'000	Total funds 2024 £'000	Total funds 2023 £'000
Statutory fees and chaplaincy income	-	-	448	-	448	451
Miscellaneous income	-	-	-	-	-	1
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>448</b>	<b>-</b>	<b>448</b>	<b>452</b>

### 6. OTHER INCOME (GROUP)

	Unrestricted General 2024 £'000	Designated 2024 £'000	Restricted Funds 2024 £'000	Endowment Funds 2024 £'000	Total funds 2024 £'000	Total funds 2023 £'000
Property sale gains	162	-	-	85	247	728
Other	56	-	3,294	-	3,350	2,652
<b>TOTAL</b>	<b>218</b>	<b>-</b>	<b>3,294</b>	<b>85</b>	<b>3,597</b>	<b>3,380</b>

### 6. OTHER INCOME (COMPANY)

	Unrestricted General 2024 £'000	Designated 2024 £'000	Restricted Funds 2024 £'000	Endowment Funds 2024 £'000	Total funds 2024 £'000	Total funds 2023 £'000
Property sale gains	162	-	-	85	247	728
Other	71	-	3,294	-	3,365	2,667
<b>TOTAL</b>	<b>233</b>	<b>-</b>	<b>3,294</b>	<b>85</b>	<b>3,612</b>	<b>3,395</b>

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

Continued

### GROUP EXPENDITURE

#### COMPRISING NOTES 7 - 9

		Unrestricted		Restricted	Endowment	Total
		General	Designated	Funds	Funds	funds
		2024	2024	2024	2024	2024
	Note	£'000	£'000	£'000	£'000	£'000
Raising funds	8	13	-	69	-	82
Charitable activities	9	10,170	133	7,228	-	17,531
Remeasurement on pension schemes	26	-	-	-	-	-
Pension interest cost	26	-	-	-	-	-
<b>TOTAL</b>		<b>10,183</b>	<b>133</b>	<b>7,297</b>	<b>-</b>	<b>17,613</b>

		Unrestricted		Restricted	Endowment	Total
		General	Designated	Funds	Funds	funds
		2023	2023	2023	2023	2023
	Note	£'000	£'000	£'000	£'000	£'000
Raising funds	8	23	-	124	-	147
Charitable activities	9	8,883	122	6,933	-	15,938
Remeasurement on pension schemes	26	-	-	-	-	-
Pension interest cost	26	-	-	-	-	-
<b>TOTAL</b>		<b>8,906</b>	<b>122</b>	<b>7,057</b>	<b>-</b>	<b>16,085</b>

### COMPANY EXPENDITURE

#### COMPRISING NOTES 7 - 9

		Unrestricted		Restricted	Endowment	Total
		General	Designated	Funds	Funds	funds
		2024	2024	2024	2024	2024
	Note	£'000	£'000	£'000	£'000	£'000
Raising funds	8	-	-	69	-	69
Charitable activities	9	10,170	133	7,228	-	17,531
Remeasurement on pension schemes	26	-	-	-	-	-
Pension interest cost	26	-	-	-	-	-
<b>TOTAL</b>		<b>10,170</b>	<b>133</b>	<b>7,297</b>	<b>-</b>	<b>17,600</b>



# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

Continued

	Note	Unrestricted		Restricted	Endowment	Total
		General 2023 £'000	Designated 2023 £'000	Funds 2023 £'000	Funds 2023 £'000	funds 2023 £'000
2023						
Raising funds	8	-	-	124	-	124
Charitable activities	9	8,883	122	6,933	-	15,938
Remeasurement on pension schemes	26	-	-	-	-	-
Pension interest cost	26	-	-	-	-	-
<b>TOTAL</b>		<b>8,883</b>	<b>122</b>	<b>7,057</b>	<b>-</b>	<b>16,062</b>

## 7. ANALYSIS OF RESOURCES EXPENDED INCLUDING ALLOCATION OF SUPPORT COSTS (GROUP)

	Note	Activities undertaken directly £'000	Grant funding of activities £'000	Support costs (Note 11) £'000	Total 2024 £'000	Total 2023 £'000
Investment management costs		13	-	69	82	147
Contributions to Archbishops' Council	9	634	-	-	634	609
Resourcing ministry and mission (Note 9)	9	14,612	1,376	713	16,701	15,156
Education	9	-	140	-	140	140
Diocesan projects	9	-	2	-	2	-
Governance costs	9	54	-	-	54	33
<b>TOTAL</b>		<b>15,313</b>	<b>1,518</b>	<b>782</b>	<b>17,613</b>	<b>16,085</b>

2023		Activities undertaken directly £'000	Grant funding of activities £'000	Support costs (Note 11) £'000	Total 2023 £'000
Investment management costs		23	-	124	147
Contributions to Archbishops' Council	9	609	-	-	609
Resourcing ministry and mission	9	12,976	1,487	693	15,156
Education	9	-	140	-	140
Diocesan projects	9	-	-	-	-
Governance costs	9	33	-	-	33
<b>TOTAL</b>		<b>13,641</b>	<b>1,627</b>	<b>817</b>	<b>16,085</b>

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### ANALYSIS OF RESOURCES EXPENDED INCLUDING ALLOCATION OF SUPPORT COSTS (COMPANY)

	Note	Activities undertaken directly £'000	Grant funding of activities £'000	Support costs (Note 11) £'000	Total 2024 £'000
Investment management costs		-	-	69	69
Contributions to Archbishops' Council	9	634	-	-	634
Resourcing ministry and mission	9	14,612	1,376	713	16,701
Education	9	-	140	-	140
Diocesan projects	9	-	2	-	2
Governance costs	9	54	-	-	54
<b>TOTAL</b>		<b>15,300</b>	<b>1,518</b>	<b>782</b>	<b>17,600</b>

2023	Note	Activities undertaken directly £'000	Grant funding of activities £'000	Support costs (Note 11) £'000	Total 2023 £'000
Investment management costs		-	-	124	124
Contributions to Archbishops' Council	9	609	-	-	609
Resourcing ministry and mission	9	12,976	1,487	693	15,156
Education	9	-	140	-	140
Diocesan projects	9	-	-	-	-
Governance costs	9	33	-	-	33
<b>TOTAL</b>		<b>13,618</b>	<b>1,627</b>	<b>817</b>	<b>16,062</b>

## 8. RAISING FUNDS (GROUP)

	Unrestricted		Restricted	Endowment	Total funds	Total funds
	General 2024 £'000	Designated 2024 £'000	Funds 2024 £'000	Funds 2024 £'000	2024 £'000	2023 £'000
Trading expenditure	13	-	-	-	13	23
Glebe expenditure	-	-	69	-	69	124
<b>TOTAL</b>	<b>13</b>	<b>-</b>	<b>69</b>	<b>-</b>	<b>82</b>	<b>147</b>

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

Continued

### RAISING FUNDS (COMPANY)

	Unrestricted		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds 2023	Funds 2023	2024	2023
	2023	2023	2023	2023	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Glebe agent's fees	-	-	69	-	69	124
<b>TOTAL</b>	-	-	69	-	69	124

## 9. CHARITABLE ACTIVITIES

### CONTRIBUTIONS TO ARCHBISHOPS' COUNCIL (GROUP AND COMPANY)

	Unrestricted	Unrestricted
	General	General
	2024	2023
	£'000	£'000
Training for ministry	333	336
National Church responsibilities	199	197
Grants and provisions	34	35
Mission Agency pension contributions	-	11
Retired clergy housing costs (CHARM)	138	133
Pooling of ordinand candidates' costs	(70)	(103)
<b>TOTAL</b>	<b>634</b>	<b>609</b>

### EXPENDITURE ON RESOURCING MINISTRY AND MISSION (GROUP AND COMPANY)

	Unrestricted		Restricted	Endowment	Total funds
	General	Designated	Funds 2024	Funds 2024	2024
	2024	2024	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000
Parish ministry					
Stipends and national insurance	4,480	21	963	-	5,464
Pension contributions	-	-	1,107	-	1,107
Housing costs	1,994	-	-	-	1,994
Removal, settlement and other grants	-	-	254	-	254
Other expenses	393	-	451	-	844
	6,867	21	2,775	-	9,663
Support for ministry	2,475	112	4,451	-	7,038
<b>TOTAL</b>	<b>9,342</b>	<b>133</b>	<b>7,226</b>	<b>-</b>	<b>16,701</b>

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

	Unrestricted		Restricted	Endowment	Total funds
2023	General 2023 £'000	Designated 2023 £'000	Funds 2023 £'000	Funds 2023 £'000	2023 £'000
Parish ministry					
Stipends and national insurance	3,621	20	1,220	-	4,861
Pension contributions	-	-	1,133	-	1,133
Housing costs	1,841	-	-	-	1,841
Removal, settlement and other grants	4	-	254	-	258
Other expenses	379	-	570	-	949
	5,845	20	3,177	-	9,042
Support for ministry	2,256	102	3,756	-	6,114
<b>TOTAL</b>	<b>8,101</b>	<b>122</b>	<b>6,933</b>	<b>-</b>	<b>15,156</b>

## EXPENDITURE ON EDUCATION (GROUP AND COMPANY)

	Unrestricted General 2024 £'000	General 2023 £'000
Synodical grant	140	140

## GOVERNANCE COSTS (COMPANY)

	Unrestricted General 2024 £'000	Unrestricted General 2023 £'000
Audit fees	28	26
Diocesan Synod	26	7
<b>TOTAL</b>	<b>54</b>	<b>33</b>

Audit Fees of £4k (2023: £4k) were incurred in relation to the statutory audit of Manchester Diocesan Church House Company Ltd. These fees are not included in governance costs as the subsidiary entity is not a charity.

## 10. ANALYSIS OF TRANSFERS BETWEEN FUNDS (GROUP AND COMPANY)

	Unrestricted		Restricted	Endowment	Total funds	Total funds
	General £'000	Designated £'000	Funds £'000	Funds £'000	2024 £'000	2023 £'000
Pastoral Account	-	-	(1,574)	-	(1,574)	(469)
Stipends Fund Capital	-	-	-	-	-	-
Parsonage Building Fund	-	-	-	-	-	(947)
Church Building Grants	-	150	-	-	150	150
Clergy Training Funds	-	15	-	-	15	15
Other	1,409	-	-	-	1,409	1,251
<b>TOTAL</b>	<b>1,409</b>	<b>165</b>	<b>(1,574)</b>	<b>-</b>	<b>-</b>	<b>-</b>

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### 11. ANALYSIS OF SUPPORT COSTS (GROUP AND COMPANY)

	Unrestricted		Restricted	Endowment	Total funds	Total funds
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Investment Management Costs	-	-	69	-	69	124
Support of Ordinands Training	91	-	-	-	91	107
Central Administration	622	-	-	-	622	586
<b>TOTAL</b>	<b>713</b>	<b>-</b>	<b>69</b>	<b>-</b>	<b>782</b>	<b>817</b>

### 12. NET (INCOMING) / OUTGOING RESOURCES FOR THE YEAR (GROUP)

These are stated after charging:

	2024	2023
	£'000	£'000
Depreciation	40	41
Auditors' remuneration - Audit services	32	30

### NET (INCOMING) / OUTGOING RESOURCES FOR THE YEAR (COMPANY)

These are stated after charging:

	2024	2023
	£'000	£'000
Depreciation	40	41
Auditors' remuneration - Audit services	28	26

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### 13. SUMMARY OF FUND MOVEMENTS 2024

	Balance at 1 January 2024	Incoming	Outgoing		Gains, Losses and Revaluations	Balance at 31 December 2024
	£'000	resources £'000	Resources £'000	Transfers £'000	£'000	£'000
<b>Unrestricted funds</b>						
General	14,598	10,369	(10,170)	1,409	492	16,698
Pension Deficit	-	-	-	-	-	-
<b>Designated</b>						
Board for Church & Society	139	-	-	-	2	141
Church Building Loans	355	-	-	-	3	358
Church Building Grants	711	3	(91)	150	-	773
Separated/Divorced Clergy Spouses	27	12	(20)	-	-	19
Clergy Training Fund	89	-	-	15	-	104
Urban Aid Grant Fund	22	-	-	-	-	22
Other	20	23	(22)	-	-	21
	<b>15,961</b>	<b>10,407</b>	<b>(10,303)</b>	<b>1,574</b>	<b>497</b>	<b>18,136</b>
<b>Restricted funds</b>						
Stipend Fund income & expenditure	-	6,601	(6,601)	-	-	-
Pastoral Fund	8,507	155	(147)	(1,574)	47	6,988
Clergy Maintenance of the Ministry	2,035	-	-	-	43	2,078
Clergy widows & associated funds	241	11	(9)	-	5	248
Ordinands' training	59	-	-	-	2	61
Resourcing Ministerial Education	347	-	(347)	-	-	-
Restructuring Funding	56	-	(51)	-	-	5
Energy Costs Grant	6	-	(1)	-	-	5
Net Zero Carbon	3	-	(3)	-	-	-
Other	87	132	(138)	-	1	82
	<b>11,341</b>	<b>6,899</b>	<b>(7,297)</b>	<b>(1,574)</b>	<b>98</b>	<b>9,467</b>
<b>Endowment funds</b>						
<b>Expendable endowment</b>						
Stipends Fund Capital Account	32,350	190	-	-	1,960	34,500
Stipends Fund I & E Account	5	-	-	-	-	5
Parsonage Buildings Fund	60,759	(53)	-	-	3,245	63,951
<b>Permanent endowment</b>						
Clergy widows & associated funds	206	-	-	-	5	211
J B Stelfox	1,432	-	-	-	33	1,465
Ordinands' training	207	-	-	-	5	212
Chaplaincy	222	10	-	-	2	234
Bequests	573	-	-	-	13	586
	<b>95,754</b>	<b>147</b>	<b>-</b>	<b>-</b>	<b>5,263</b>	<b>101,164</b>
<b>Total funds - Company</b>	<b>123,056</b>	<b>17,453</b>	<b>(17,600)</b>	<b>-</b>	<b>5,858</b>	<b>128,767</b>
	(81)	-	-	-	-	(81)
Adjustments arising on consolidation*						
Non-charitable trading funds*	2,999	32	(2,940)	-	-	91
Minority interest*	42	-	(41)	-	-	1
<b>Total funds - Group</b>	<b>126,016</b>	<b>17,485</b>	<b>(20,581)</b>	<b>-</b>	<b>5,858</b>	<b>128,778</b>

See Note 22 for more details. \* These movements in funds all relate to unrestricted funds.

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### SUMMARY OF FUND MOVEMENTS 2023

	Balance at 1 January 2023 £'000	Incoming resources £'000	Outgoing Resources £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2023 £'000
<b>Unrestricted funds</b>						
General	15,267	6,912	(8,883)	1,251	51	14,598
Pension Deficit	-	-	-	-	-	-
<b>Designated</b>						
Board for Church & Society	129	-	-	-	10	139
Church Building Loans	345	-	-	-	10	355
Church Building Grants	620	2	(61)	150	-	711
Separated/Divorced Clergy Spouses	34	13	(20)	-	-	27
Clergy Training Fund	94	-	(20)	15	-	89
Urban Aid Grant Fund	22	-	-	-	-	22
Other	21	20	(21)	-	-	20
	<b>16,532</b>	<b>6,947</b>	<b>(9,005)</b>	<b>1,416</b>	<b>71</b>	<b>15,961</b>
<b>Restricted funds</b>						
Stipend Fund income & expenditure	-	6,230	(6,230)	-	-	-
Pastoral Fund	9,123	(33)	(114)	(469)	-	8,507
Clergy Maintenance of the Ministry	1,874	-	(1)	-	162	2,035
Clergy widows & associated funds	226	8	(12)	-	19	241
Ordinands' training	53	-	-	-	6	59
Resourcing Ministerial Education	253	367	(273)	-	-	347
Restructuring Funding	107	27	(78)	-	-	56
Energy Costs Grant	216	-	(210)	-	-	6
Strategic Capacity Funding	-	15	(12)	-	-	3
Other	110	100	(127)	-	4	87
	<b>11,962</b>	<b>6,714</b>	<b>(7,057)</b>	<b>(469)</b>	<b>191</b>	<b>11,341</b>
<b>Endowment funds</b>						
<b>Expendable endowment</b>						
Stipends Fund Capital Account	31,449	993	-	-	(92)	32,350
Stipends Fund I & E Account	5	-	-	-	-	5
Parsonage Buildings Fund	61,377	286	-	(947)	43	60,759
<b>Permanent endowment</b>						
Clergy widows & associated funds	186	2	-	-	18	206
J B Stelfox	1,307	-	-	-	125	1,432
Ordinands' training	191	-	-	-	16	207
Chaplaincy	206	7	-	-	9	222
Bequests	523	-	-	-	50	573
	<b>95,244</b>	<b>1,288</b>	<b>-</b>	<b>(947)</b>	<b>169</b>	<b>95,754</b>
<b>Total funds - Company</b>	<b>123,738</b>	<b>14,949</b>	<b>(16,062)</b>	<b>-</b>	<b>431</b>	<b>123,056</b>
Adjustments arising on consolidation*	(81)	-	-	-	-	(81)
Non-charitable trading funds*	3014	8	(23)	-	-	2,999
Minority interest*	42	-	-	-	-	42
<b>Total funds - Group</b>	<b>126,713</b>	<b>14,957</b>	<b>(16,085)</b>	<b>-</b>	<b>431</b>	<b>126,016</b>

See Note 22 for more details. \* These movements in funds all relate to unrestricted funds.

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

#### 14. DIRECTORS' REMUNERATION AND EXPENSES

£nil remuneration has been paid to any Director in their capacity as directors (2023: £nil).

During the year contributions were made to the Church Commissioners at the standard rate agreed by the Diocesan Synod towards the stipends, national insurance and pension contributions of the licensed clergy who are directors are provided with houses, including the payment of council tax and maintenance costs, as part of normal clergy remuneration. No Directors (2023: No Directors) were reimbursed for travel expenses during the year which amounted to £nil (2023: £Nil).

#### 15. EMPLOYEE DETAILS

Employees receiving remuneration in excess of £60,000 are analysed as follows:

	Year ended 31 December 2024	Year ended 31 December 2023
£110,001 - £120,000	1	-
£100,001 - £110,000	-	-
£90,001 - £100,000	-	1
£80,001 - £90,000	-	-
£70,001 - £80,000	1	1
£60,001 - £70,000	3	1

During the year, the following amounts were paid to higher paid employees as shown above:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Pension contributions to Pension Builder Classic scheme	37	18

#### 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. During 2024 they were:

Helen Platts	Diocesan Secretary and Chief Operating Officer and Company Secretary
David Weldon	Director of Finance and Corporate Services
Darren Bamford	Director of Land and Property Services
Deborah Smith*	Director of Education

\* Remuneration and pensions for the above employees amounted to £301k (2023: £278k). This does not include the costs for Deborah Smith, which are included within Manchester Diocesan Board of Education financial statements.



# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

The average number of employees, based on full-time equivalents, was as follows:

	2024 No.	2023 No.
Support for parish ministry	37	34
Mission Support and chaplaincy	3	5
	<u>40</u>	<u>39</u>
Externally funded posts	36	38
Total posts	<u>76</u>	<u>77</u>

In addition, a further 10 (2023: 10) persons are employed but, as their employment costs are borne by the Manchester Diocesan Board of Education, they are not included in these financial statements. Their employment costs are shown separately in the financial statements of that company.

Staff costs were as follows:

	2024 £'000	2023 £'000
Gross salaries	2,509	2,093
Social Security costs	266	216
Pension contributions	355	309
	<u>3,130</u>	<u>2,618</u>

An average of 115 (2023: 115) stipendiary clergy were paid as office holders holding parochial or diocesan appointments in the diocese, and the costs were as follows:

	2024 £'000	2023 £'000
Stipends	5,537	5,056
National Insurance Contributions	465	411
Pension costs - Current year	1,230	1,268
	<u>7,232</u>	<u>6,735</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

16. TAXATION

	2024 £'000	2023 £'000
<b>Domestic current year tax</b>		
<i>UK corporation tax</i>		
Adjustments in respect of prior periods	-	-
Current tax charge	-	-
Under/(over) provision in prior year	-	-
<b>Deferred tax</b>		
Deferred tax (charge) / credit current year	-	-
Tax (charge) / credit on profit on ordinary activities	-	-

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### 17. TANGIBLE ASSETS

GROUP AND COMPANY	Land and buildings			Equipment	Total
	MDBF £'000	Parsonage £'000	Glebe £'000	£'000	£'000
<b>At cost of valuation</b>					
At 1 January 2024	10,991	56,547	18,726	352	<b>86,616</b>
Transfers	-	-	-	-	-
Additions	567	765	-	13	<b>1,345</b>
Disposals	(528)	(405)	(873)	-	<b>(1,806)</b>
Revaluation	333	3,244	1,007	-	<b>4,584</b>
<b>At 31 December 2024</b>	<b>11,363</b>	<b>60,151</b>	<b>18,860</b>	<b>365</b>	<b>90,739</b>
<b>Accumulated depreciation</b>					
At 1 January 2024	-	-	-	254	<b>254</b>
Charge for the year	-	-	-	40	<b>40</b>
Eliminated on disposals	-	-	-	-	-
Revaluation	-	-	-	-	-
<b>At 31 December 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>294</b>	<b>294</b>
<b>Net book value at 31 December 2024</b>	<b>11,363</b>	<b>60,151</b>	<b>18,860</b>	<b>71</b>	<b>90,445</b>
<b>Net book value at 31 December 2023</b>	<b>10,991</b>	<b>56,547</b>	<b>18,726</b>	<b>98</b>	<b>86,362</b>

Included in MDBF property are some properties that are subject to a value-linked loan from the Church Commissioners. When disposed of the appropriate share of the net sale proceeds will be remitted to the Commissioners, and the related loan liability thereby extinguished. The value of such properties is included in the above amounts was £244,750 (2023: £244,750).

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**

Continued

**18. INVESTMENTS**

<b>GROUP</b>	Glebe Investment Properties £'000	Unlisted £'000	<b>Total £'000</b>
<b>Market value</b>			
At 31 December 2023	<b>4,405</b>	<b>16,125</b>	<b>20,530</b>
Additions at cost	-	5,000	<b>5,000</b>
Transfers	-	-	-
Revaluations	890	-	<b>890</b>
Disposals	(2,350)	-	<b>(2,350)</b>
Unrealised gain/(loss) for the year	-	383	<b>383</b>
Realised gain / (loss) for the year	-	-	-
<b>At 31 December 2024</b>	<b>2,945</b>	<b>21,508</b>	<b>24,453</b>
Historic cost at 31 December 2024	2,855	11,015	<b>13,870</b>
Excess / (reduction) of market value over cost to date	90	10,493	<b>10,583</b>
<b>COMPANY</b>			
		<b>2023 £'000</b>	
Group total		<b>20,530</b>	
Investment in subsidiary company (see below)		<b>81</b>	
		<b>20,611</b>	

**Investment properties**

The group's investment properties are valued annually on 31 December at fair value, determined by an independent, professionally qualified valuer. The most recent valuation for Bury Rectory was performed as at 31 December 2024 by WT Gunson who confirmed a valuation of £2,945,000 (2023: £4,405,000).

The valuation has been prepared in accordance with RICS valuation - Professional Standards UK January 2017.

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

Details of the accounting policy for Glebe are included in note 1(f) and 1(g) to the financial statements.

#### The Manchester Diocesan Church House Company Limited

##### Balance sheet

	2024 £'000	2023 £'000
Tangible fixed assets	-	-
Current assets	153	3,065
	<hr/> 153	<hr/> 3,065
Creditors: amounts falling due within one year	(61)	(24)
	<hr/> 92	<hr/> 3,041
Provisions for liabilities and charges	-	-
	<hr/> 92	<hr/> 3,041
	<hr/> <hr/>	<hr/> <hr/>
<b>Representing:</b>		
Share capital	42	42
Other reserves	-	-
Revaluation Reserve	-	-
Profit and loss account	50	2,999
	<hr/> 92	<hr/> 3,041
	<hr/> <hr/>	<hr/> <hr/>

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

#### 18. INVESTMENTS (continued)

##### SUBSIDIARY COMPANY

The Manchester Diocesan Church House Company Limited  
Income from subsidiary's trading activities

	2024 £000	2023 £000
Turnover	148	143
Administration	(32)	(38)
Gain / (Loss) from changes in fair value of investment property	-	-
Operating (loss) / profit	116	105
Taxation	-	-
(Loss) / profit after taxation	116	105

The Board hold 98.6% (2023: 98.6%) of the ordinary share capital of the Manchester Diocesan Church House Company Limited ("MDCH"), whose principal activity was the provision of a Church House for Diocesan purposes, and in furtherance of this, the operation as a property company. MDCH sold the property in June 2022. MDBF charged the Manchester Diocesan Church House Company £15,000 (2023: £15,000) for accountancy services rendered. The transfer of taxable profits under gift aid to the parent company was £3,070,000 (2023: £120,000). At the balance sheet date, the Manchester Diocesan Church House Company owed Manchester Diocesan Board of Finance £nil (2023: £15,000).

MDCH is a limited company registered in England and Wales no. 99121.

##### Founder Member of Emmanuel Theological College (formerly All Saints Centre for Mission and Ministry Ltd)

Manchester Diocese is one of the three founding members of the Emmanuel Theological College (formerly All Saints Centre for Mission and Ministry) and there are currently four members. Emmanuel Theological College (ETC) trains lay and ordained ministers to university standards for the Church of England. If the Emmanuel Theological College is wound up whilst the Manchester Diocesan Board of Finance is still a member or within 12 months of ceasing to be a Member, then the Member promises to pay such amount as is required up to £1 towards the costs of dissolution and the liabilities incurred by the charity while the contributor was a Member. During 2011, Manchester Diocesan Board of Finance along with Chester and Liverpool Diocesan Boards of Finance each authorised a £50,000 interest free loan in order to provide sufficient cash flow due to the phasing in of student numbers over a 3 year period. A further loan was been provided for £10,000 in 2020 and currently there is a balance of £7,500 (2023: £7,500). Previously, Ordinands' training was paid by the National Church. In 2017, new financial arrangements were put in place through the Resourcing Ministerial Education programme. Therefore, MDBF has received (upto August 2023) funding from the National Church to support the training of Ordinands. In 2024, the MDBF paid Emmanuel Theological College £37,966 (2023: £155,492) for the training of Ordinands and Readers. From September 2023, National Church are now paying the Ordinand tuition costs direct to ETC under Resourcing Ministerial Formation, which is the reason for the reduction in payments in 2023.

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

The trading activities for the period 1 September 2023 to 31 August 2024 were:

	£'000
Turnover	1,534
Administration costs	1,215
	<hr/>
Surplus	319
	<hr/> <hr/>

Any surplus monies will be transferred to reserves in order to set aside funds for special purposes or as reserves against future expenditure.

## 19. DEBTORS

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
<b>Due within one year</b>				
Loans to parishes:				
As arranged from Central Board of Finance	-	-	-	-
For urgent Church fabric repairs	49	81	49	81
For Parishes	236	258	236	258
General debtors	273	311	239	285
Board of Education	47	44	47	44
Manchester Diocesan Church House Company Ltd	-	-	-	-
Glebe debtor	8	61	8	61
Prepayments and accrued income	1,509	1,896	1,509	1,896
Emmanuel Theological College	8	8	8	8
Repayable Grant – Fabric Church *	2,350	2,350	2,350	2,350
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL</b>	<b>4,480</b>	<b>5,009</b>	<b>4,446</b>	<b>4,983</b>
	<hr/>	<hr/>	<hr/>	<hr/>

\*Further to note 1 (s) above, this debtor is repayable in more than one year

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### 20. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
CBF deposit fund	12,027	16,979	11,975	14,029
Cash at bank and in hand	771	577	704	503
	<u>12,798</u>	<u>17,556</u>	<u>12,679</u>	<u>14,532</u>

### 21. CREDITORS

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
<b>Amounts falling due within one year</b>				
General creditors	638	677	577	668
Accruals	87	93	87	93
Taxation and social security	94	92	94	92
Pension Deficit Repayment (Note 26)	-	-	-	-
	<u>819</u>	<u>862</u>	<u>758</u>	<u>853</u>
<b>Amounts falling due after more than one year</b>				
Loans from the Central Board of Finance for parishes	-	-	-	-
Church Commissioners Value Linked Loans	229	229	229	229
Pension Deficit Repayment (Note 26)	-	-	-	-
Repayable Grant – National Church	2,350	2,350	2,350	2,350
	<u>2,579</u>	<u>2,579</u>	<u>2,579</u>	<u>2,579</u>

Value Linked Loans from the Church Commissioners are administered by the Board of Finance on behalf of parishes, other parties and the Board itself. These loans are for the purpose of providing or improving housing for clergy, deaconesses and licensed lay workers engaged in parochial or diocesan work and former clergy spouses. The housing involved is not in benefice or Glebe ownership. The loan only becomes repayable on disposal of the Value Linked Loan property.



# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### 22. SUMMARY OF COMPANY AND GROUP ASSETS PER FUND

	Fixed assets		Net	Long	Total 2024 £'000
	Tangible £'000	Loans / investment £'000	current assets £'000	term liabilities £'000	
<b>Restricted funds</b>					
Diocesan Pastoral Account	-	5,047	1,941	-	<b>6,988</b>
Clergy / Maintenance of the Ministry Fund	-	1,920	158	-	<b>2,078</b>
Other restricted funds	-	337	64	-	<b>401</b>
	<b>-</b>	<b>7,304</b>	<b>2,163</b>	<b>-</b>	<b>9,467</b>
<b>Endowment funds</b>					
Diocesan Stipends Fund Capital Account	18,859	5,777	9,864	-	<b>34,500</b>
Parsonage Buildings Fund	60,152	-	3,799	-	<b>63,951</b>
Other endowment funds	-	2,576	137	-	<b>2,713</b>
	<b>79,011</b>	<b>8,353</b>	<b>13,800</b>	<b>-</b>	<b>101,164</b>
<b>Unrestricted funds</b>					
General	11,434	8,639	(796)	(2,579)	<b>16,698</b>
Designated	-	238	1,200	-	<b>1,438</b>
Pension Deficit	-	-	-	-	<b>-</b>
	<b>11,434</b>	<b>8,877</b>	<b>404</b>	<b>(2,579)</b>	<b>18,136</b>
<b>Company</b>	<b>90,445</b>	<b>24,534</b>	<b>16,367</b>	<b>(2,579)</b>	<b>128,767</b>
Non-charitable trading funds	-	-	92	-	<b>92</b>
Consolidation adjustment	-	(81)	-	-	<b>(81)</b>
<b>Group</b>	<b>90,445</b>	<b>24,453</b>	<b>16,459</b>	<b>(2,579)</b>	<b>128,778</b>

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

	Fixed assets		Net	Long	Total 2023 £'000
	Tangible £'000	Loans / investment £'000	current assets £'000	term liabilities £'000	
<b>Restricted funds</b>					
Diocesan Pastoral Account	-	-	8,507	-	8,507
Clergy / Maintenance of the Ministry Fund	-	1,877	158	-	2,035
Other restricted funds	-	329	470	-	799
	-	2,206	9,135	-	11,341
<b>Endowment funds</b>					
Diocesan Stipends Fund Capital Account	18,726	7,174	6,450	-	32,350
Parsonage Buildings Fund	56,548	-	4,211	-	60,759
Other endowment funds	-	2,518	127	-	2,645
	75,274	9,692	10,788	-	95,754
<b>Unrestricted funds</b>					
General	11,088	8,481	(2,392)	(2,579)	14,598
Designated	-	232	1,131	-	1,363
Pension Deficit	-	-	-	-	-
	11,088	8,713	(1,261)	(2,579)	15,961
<b>Company</b>	86,362	20,611	18,662	(2,579)	123,056
Non-charitable trading funds	-	-	3,041	-	3,041
Consolidation adjustment	-	(81)	-	-	(81)
<b>Group</b>	86,362	20,530	21,703	(2,579)	126,016

### Diocesan Pastoral Account

This fund includes the proceeds of redundant churches and parsonages. The purposes for which the account may be used are laid down in Section 78 of the Pastoral Measure 1983.

The Diocesan Pastoral Account represents the proceeds of redundant churches and parsonages. These funds, held by the Diocesan Board of Finance, have not yet been applied to the purposes permitted by the Pastoral Measure 1983. The Pastoral Account can be used for the acquisition and development of parsonages and other clergy houses and the provision, restoration, improvement or repair of churches once the legal obligations for redundant church buildings vested in the Board for disposal have been met, when authorised surplus funds may be transferred to the Stipends Fund Capital Account or income funds. When these funds have been used to purchase or improve property this has been charged to the Pastoral Account in the year of expenditure. Proceeds of sale have been credited as income in the year of receipt. Where the Board has used the funds to purchase or improve properties in its corporate capacity, these have been included as Fixed Assets in these financial statements.

### Clergy/ Maintenance of the Ministry Fund

This fund is administered by the Grants Committee to offer grants to support clergy and Parishes within the Diocese where areas of hardship are identified.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### Stipends Fund Capital Account

The Diocesan Stipends Fund Capital Account was set up by the Endowments and Glebe Measure 1976 to provide income for clergy stipends. It represents the accumulated sale proceeds of Glebe property, sale proceeds of parsonage houses and surplus benefice endowments following pastoral reorganisation. The capital can be used for the purchase of Glebe or benefice property though the income can only be utilised for stipend purposes. It has been included as an endowment fund in these financial statements.

### Parsonage Buildings Fund

Parsonage Buildings Fund represents resources held for the provision of benefice houses in the diocese. It is represented by the collective value of benefice houses or by sale proceeds of former benefice houses held on suspense by the Church Commissioners. Although benefice houses are vested in incumbents for the time being of the benefices concerned, the Board is obliged to maintain them to ensure that there are sufficient houses for the pastoral structure of the diocese and it receives the sale proceeds of benefice houses surplus to requirements into its Stipends Fund Capital Account or Pastoral Account. The major capital expenditure incurred by the Board is the purchase of new or replacement parsonage houses. If there is insufficient funding for the same held in the parsonage Building Fund, the balance comes from the Stipends Fund Capital Account or the Diocesan Pastoral Account. The Parsonage Buildings Fund has been included as an endowment fund in these financial statements.

### General Fund

This fund is available for any purpose within the objects of the Board. It is principally used for the payment of stipends, national insurance, pension contributions and housing costs of clergy and licensed lay-workers in parish ministry.

### Designated Fund

This fund represents monies designated by the Board to support specific areas of works including mission, maintenance of church buildings and housing costs for separated/divorced clergy spouses.

### Transfers between funds

The Board makes transfers between the Funds on receipt of Orders under the Pastoral Measure 1983 which can move properties between asset categories of Parsonages, Glebe and MDBF, and therefore between Parsonage Building Fund, Stipend Fund Capital Account and Pastoral Account. The background to the major funds is detailed in note (d) of the accounting policies.

### Pension Deficit

As at 31 December 2024, the pension deficit on the Church of England Defined Benefit Scheme (Clergy) was £nil (2023: £nil). In 2024, the company paid £nil (2023: £nil) as a contribution to reduce the pension deficit. As at 31 December 2024, the pension deficit on the Church Worker Defined Benefit Scheme (Lay Staff) was £nil (2023: £nil).

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### 23. GROUP AND COMPANY REVALUATION RESERVES

The revaluation reserves included in funds has been disclosed below for disclosure purposes only, in order to show the individual gains and losses included in the applicable funds.

	Church House Investment Property 2024 £'000	Unrestricted Investments 2024 £'000	Designated Investments 2024 £'000	Restricted Investments 2024 £'000	Endowment Investments 2024 £'000	Investments Sub Total 2024 £'000	Endowment Glebe 2024 £'000	<b>TOTAL 2024</b> <b>£'000</b>
At 1 January 2024	-	4,654	215	1,952	3,375	10,196	(2,075)	<b>8,121</b>
Net Gains/(Losses) on Investments	-	159	5	98	122	384	-	<b>384</b>
Glebe Investment	-	-	-	-	-	-	890	<b>890</b>
Property Revaluation	-	-	-	-	-	-	-	-
Investment Property Revaluation (see note 18)	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	(2,350)	<b>(2,350)</b>
Sub Total	-	159	5	98	122	384	(1,460)	<b>(1,076)</b>
At 31 December 2024	-	<u>4,813</u>	<u>220</u>	<u>2,050</u>	<u>3,497</u>	<u>10,580</u>	<u>(3,535)</u>	<u><b>7,045</b></u>

	Church House Investment Property 2023 £'000	Unrestricted Investments 2023 £'000	Designated Investments 2023 £'000	Restricted Investments 2023 £'000	Endowment Investments 2023 £'000	Investments Sub Total 2023 £'000	Endowment Glebe 2023 £'000	<b>TOTAL 2023</b> <b>£'000</b>
At 1 January 2023	-	4,220	195	1,761	2,917	9,093	(1,160)	<b>7,933</b>
Net Gains/(Losses) on Investments	-	434	20	191	458	1,103	-	<b>1,103</b>
Glebe Investment	-	-	-	-	-	-	(915)	<b>(915)</b>
Property Revaluation	-	-	-	-	-	-	-	-
Investment Property Revaluation (see note 18)	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
Sub Total	-	434	20	191	458	1,103	(915)	<b>188</b>
At 31 December 2023	-	<u>4,654</u>	<u>215</u>	<u>1,952</u>	<u>3,375</u>	<u>10,196</u>	<u>(2,075)</u>	<u><b>8,121</b></u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

24. CONNECTED CHARITIES

Manchester Diocesan Board of Education is a charitable company limited by guarantee situated at St Johns House, 155-163 The Rock, Bury BL9 0ND. The charity is connected to the Manchester Diocesan Board of Finance by virtue of the fact that Manchester Diocesan Synod has the power to appoint the majority of the Committee of Management, constituting the Board of Directors, for each charity.

For the year ended 31 December 2023 Manchester Diocesan Board of Finance made a budget transfer to Manchester Diocesan Board of Education of £140k (2023: £140k), representing the Synod funding of non-schools work of the Board of Education. Dividend income from the Stelfox Trust of £26k (2023: £25k) was also paid to the Board of Education via the Board of Finance. During the year Manchester Diocesan Board of Finance incurred on behalf of, and subsequently recharged, costs of £586k (2023: £520k) to the Board of Education, comprising:

	2024 £'000	2023 £'000
Staff costs	467	400
Central services	118	120

25. CASH FLOW STATEMENT NOTES

Analysis of movements in cash

	As at 1 January 2024 £'000	Cash flow 2024 £'000	As at 31 December 2024 £'000
<b>Net cash:</b>			
Cash in hand and at bank	577	194	771
Cash on deposit	16,979	(4,952)	12,027
<b>Cash at bank and at hand</b>	<b>17,556</b>	<b>(4,758)</b>	<b>12,798</b>

# MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### 26. PENSIONS (GROUP AND COMPANY)

#### (a) Clergy Pensions

Manchester DBF 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 Church of England Funded Pensions 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, which were £1.23m in 2024 (2023: £1.268m), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2024, following the valuation results being agreed, the deficit contributions paid were £0 (2023: £0).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 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% p.a.;
- RPI inflation of 3.6% p.a. (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;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 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% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded.

The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

	% of pensionable stipends
31 December 2021	7.1% payable from January 2021 to December 2022
31 December 2022	Nil
31 December 2023	Nil
31 December 2024	Nil

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

PENSIONS (GROUP AND COMPANY) (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 2023 and 31 December 2024 is nil. The movement in the balance sheet liability over 2023 and over 2023 is set out in the table below.

	2024	2023
Balance sheet liability at 1 January	0	0
Deficit contribution paid	0	0
Interest cost (recognised in SoFA)	0	0
Remaining change to the balance sheet liability* (recognised in SoFA)	0	-0
Balance sheet liability at 31 December	0	0

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

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

## MANCHESTER DIOCESAN BOARD OF FINANCE YEAR ENDED 31 DECEMBER 2024

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

#### PENSIONS (GROUP AND COMPANY) (continued)

##### (b) Staff Pensions

Manchester DBF (DBS) participates in the Defined Benefits Scheme section of CWPF for lay staff, which is now closed to future accrual. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

##### Defined Benefits Scheme

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.

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 DBS is carried out once every three years. At the most recent valuation at 31 December 2022 there was a surplus of £73.6m.

The next actuarial valuation is due at 31 December 2025.

Since 31 December 2023, the Board has entered into a full buy-in agreement with Aviva to insure all accrued benefits within the DBS of the CWPF.

The Church of England Pensions Board agreed that deficit contributions should cease with effect from 31 December 2022 for employers whose pools were estimated to be materially in surplus. As a result, there is no obligation recognised as a liability within the Employer's financial statements as at 31 December 2023 or 31 December 2024.



**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**

Continued

**PENSIONS (GROUP AND COMPANY) (continued)**

The movement in the provision is set out below:

	2024	2023
Balance sheet liability at 1 January	0	0
Deficit contribution paid	0	0
Interest cost (recognised in SoFA)	0	0
Remaining change to the balance sheet liability*(recognised in SoFA)	0	0
Balance sheet liability at 31 December	0	0

\* 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 2024	December 2023	December 2022
Discount rate	N/A	N/A	0.00%

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**

MDBF participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

**Pension Builder Scheme**

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

**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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

PENSIONS (GROUP AND COMPANY) (continued)

**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 (2024: £355k, 2023: £309k).

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 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2025, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2024. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing 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, MDBF could become responsible for paying a share of the failed employer's pension liabilities.

27. PROVISIONS FOR LIABILITIES AND CHARGES

Group only

Deferred taxation (see note 16)

£'000

Balance as at 1 January 2024	-
(Charge) / credit for the year	-
Balance as at 31 December 2024	-

Deferred taxation provided in the financial statements is as follows:

	2024 £'000	2023 £'000
Accelerated capital allowances	-	-
Investment property revaluations	-	-

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### 28. FUNDS HELD AS CUSTODIAN TRUSTEE FOR OTHERS

Under the Parochial Church Councils (Powers) Measure 1956, the Board holds as custodian trustee, for a considerable number of parochial and miscellaneous funds, investments with an aggregate market value of £15.032m (2023: £11.061m) which are not included in the balance sheet. These investments are held on behalf of parishes whose charitable purposes are similar to those of the Board of Finance. The assets are held securely and separately from those of the Board which is responsible for their safe custody. Under the same measure the Company acts as custodian trustee for property belonging to Parishes.

### 29. RELATED PARTIES

During the year contributions were made to the Church Commissioners at the standard rate agreed by the Diocesan Synod towards the stipends, national insurance and pension contributions of the licensed clergy who are directors, also providing houses, including the payment of council tax and maintenance costs, as part of normal clergy remuneration. No Directors (2023: No Directors) were reimbursed for travel expenses during the year. During the year the aggregate amount of donations received without conditions from MDBF Directors was £2,790 (2023: £2,640).

The Archdeacon of Bolton, The Ven Dr R Mann and the Bishop of Bolton the Rt Revd Matthew Porter served as a Trustee at Emmanuel Theological College during 2024 fees totalling £49,266 (2023: £155,492) were paid for Ordinand and Reader training £30,000 (2023: £nil) was paid as a grant from overpayments of RME funding.

The Archdeacon of Manchester Ven K Best served as Director of Benefact Trust Limited (Formerly Allchurches Trust Ltd) which provided a general grant to MDBF in 2024 for £177K (2023: £206k) They also served as a director of Ecclesiastical Insurance Group who received insurance payments totalling £209K and paid claims totalling £13,419.12. Ven Karen Best and Canon Grace Thomas served as directors of the Manchester City Centre Resource Church Trust Ltd who received grant funding totalling £259,321 in 2024 (2023: £2,506,221 of which £2,350,000 is a repayable grant). The Archdeacon of Rochdale the Ven Karen Smeeton served as a trustee of the Manchester Diocesan Council for Social Aid which made payments of £5,271 (2023: £nil) for recharges of staffing and general expenses.

The Very Reverend R Govender, The Dean of Manchester and Canon Grace Thomas served as Trustees of The Manchester Cathedral Visitor Centre and a Director of Manchester Cathedral Ventures Ltd whom were paid rent and service charges of £23,472.98 in 2024 (2023: £14,300)

The Bishop of Manchester, Rt Revd Dr D Walker and The Rt Reverend M Davies, The Bishop of Middleton served as trustees of the Manchester Diocesan Board of Education for which the details are set out in note 24. The Rt Reverend M Davies, The Bishop of Middleton also served as a trustee of the Greater Manchester Churches Together who were paid a membership subscription fee of £7,070 in 2024 (2023: £7,070).

The Very Reverend R Govender was a member of the Church Commissioners in 2024. In 2024, MDBF received the following funding from the Church Commissioners – Lower Income Communities Funding / Transition Funding £2,326,875 (2023: £2,343,153), Strategic Development Funding £1,329,302 (2023: £878,560), Transformation Programme £1,237,123 (2023: £930,987), Resourcing Ministerial Education £nil (2023: £540,590), Resourcing Ministerial Foundation £15,464 (2023: £16,418), Strategic Ministry Fund £490,160 (2023: £502,363), Manchester Chapter Surplus £84,869 (2023: £106,854.27) and Bishops Staffing recharges £nil (2023: £38,680), Legal Officer Fees £60,386 (2023: £57,454), Proceeds from the sale of a Value Linked Loan property £nil (2023: £85,107) and Diocesan Giving Advisor funding £24,000 (2023: £24,000), Net Zero Carbon £nil (2023: £15,000), Diocesan Improvement Programme £382,044 (2023: £2,350,000). During the year MDBF made payments to Archbishops Council for various recharges including contribution to National Church Costs £634,301 (2023: £608,684), Value Linked Loan Interest £19,834 (2023: £20,683), General Synod, Bishops Advisory Panel Fees, Digital Giving roll out and other recharges £45,757 (2023: £10,273), Resourcing Ministerial Education £317,817 (2023: £nil), Closed church proceeds £15,653 (2023: £nil).

Canon Philip Blinkhorn, Canon John Walsh and the Ven Rachel Mann also served as directors of the Manchester Diocesan Church House Company Limited. Further detail can be found in the following section.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Continued

### Manchester Diocesan Church House Company Limited

The Board hold 98.6% (2023: 98.6%) of the ordinary share capital of the Manchester Diocesan Church House Company Limited ("MDCH"), whose principal activity was the provision of a Church House for Diocesan purposes, and in furtherance of this, the operation as a property company. MDCH sold the property in June 2022. MDBF charged the Manchester Diocesan Church House Company £15,000 (2023: £15,000) for accountancy services rendered.

The transfer of taxable profits under gift aid to the parent company was £3,070,000 (2023: £120,000). Following the sale of Church House, £9,500,000 was paid to MDBF from the proceeds in 2022. This is disclosed in the statement to changes in equity in the Church House Company financial statements and is not included within the profit and loss account shown above. At the balance sheet date, the Manchester Diocesan Church House Company owed Manchester Diocesan Board of Finance £nil (2023: £15,000).

MDCH is a limited company registered in England and Wales no. 99121.

### Founder Member of Emmanuel Theological College (formerly All Saints Centre for Mission and Ministry Ltd)

Manchester Diocese is one of the three founding members of the Emmanuel Theological College (formerly All Saints Centre for Mission and Ministry) and there are currently four members. Emmanuel Theological College (ETC) trains lay and ordained ministers to university standards for the Church of England. If the Emmanuel Theological College is wound up whilst the Manchester Diocesan Board of Finance is still a member or within 12 months of ceasing to be a Member, then the Member promises to pay such amount as is required up to £1 towards the costs of dissolution and the liabilities incurred by the charity while the contributor was a Member. During 2011, Manchester Diocesan Board of Finance along with Chester and Liverpool Diocesan Boards of Finance each authorised a £50,000 interest free loan in order to provide sufficient cash flow due to the phasing in of student numbers over a 3 year period. A further loan was been provided for £10,000 in 2020 and currently there is a balance of £7,500 (2023: £7,500). Previously, Ordinands' training was paid by the National Church. In 2017, new financial arrangements were put in place through the Resourcing Ministerial Education programme. Therefore, MDBF has received (upto August 2023) funding from the National Church to support the training of Ordinands. In 2024, the MDBF paid Emmanuel Theological College £37,966 (2023: £155,492) for the training of Ordinands and Readers. From September 2023, National Church are now paying the Ordinand tuition costs direct to ETC under Resourcing Ministerial Formation, which is the reason for the reduction in payments in 2023.

